finance medical care to the citizens of the United States; to the Committee on Interstate and Foreign Commerce.

1202. By the SPEAKER: Petition requesting that the Eighty-first Congress remain in session until a long-range farm program embodying the principles of the Brannan bill be enacted into law and that the Hope-Aiken law be repealed; to the Committee on Agriculture.

1203. Also, petition of District of Columbia Federation of Women's Clubs, Washington, D. C., relative to the longshoremen's strike in Hawaii, and asking that, if existing law proves inadequate in this crisis, Congress pass suitable legislation to remedy this situation; to the Committee on Education and Labor.

1204. Also, petition of H. A. Butts and others, San Jose, Calif., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1205. Also, petition of E. E. Proud and others, La Habra, Calif., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1206. Also, petition of Fannie L. Judy and others, San Diego, Calif., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1207. Also, petition of David Nordenmah and others, Chicago, Ill., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1208. Also, petition of E. B. Gruver and others, Milton, Pa., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1209. Also, petition of W. A. Schaeffer and others, Pittsburgh, Pa., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1210. By Mr. LECOMPTE: Petition of Charles K. Cain, druggist, and other citizens of Deep River, Iowa, urging the repeal of the 20-percent excise tax on all toilet goods; to the Committee on Ways and Means.

1211. By Mr. SMITH of Wisconsin: Petition of residents in Monticello, Wis., requesting that financial relief be given growers of Angora rabbit wool and that favorable action be taken on the bill H. R. 4549 at this session; to the Committee on Agriculture.

SENATE

THURSDAY, JUNE 30, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, as another morning climbs to noon, ascending the hill of the Lord, may we breathe the purer air above the dusty plains of the trivial and the temporary, here finding an altar of pardon and peace. May the memory of Thy past mercies mingle like sweet incense with a strengthening assurance of Thy present nearness which no malignancy nor cruel violence of man's devising can snatch from those whose minds are stayed on Thee. We pause now for Thy benediction before turning to waiting tasks, grateful for a great heritage worth living and dying for and for a deathless cause that no weapon that has been formed can defeat. In Thy might lift up our hearts and make us strong. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 29, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 29, 1949, the President had approved and signed the following acts:

S. 257. An act to amend the Interstate Commerce Act, as amended, so as to provide limitations on the time within which actions may be brought for the recovery of undercharges and overcharges by or against common carriers by motor vehicles, common carriers by water, and freight forwarders;

S. 1089. An act to amend section 8c of the Agricultural Adjustment Act, relating to marketing agreements and orders, to authorize the Secretary of Agriculture to issue orders under such section with respect to filberts and almonds; and

S. 1794. An act to repeal certain obsolete provisions of law relating to the naval service.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed the bill (S. 1070) to establish a national housing objective and the policy to be followed in the attainment thereof, to provide Federal aid to assist slum-clearance projects and low-rent public housing projects initiated by local agencies, to provide for financial assistance by the Secretary of Agriculture for farm housing, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had severally agreed to the amendments of the Senate to the following bills of the House:

H. R. 3088. An act to increase the compensation of certain employees of the municipal government of the District of Columbia, and for other purposes; and

H. R. 3549. An act to permit the Comptroller General to pay claims chargeable against lapsed appropriations and to provide for the return of unexpended balances of such appropriations to the surplus fund.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate numbered 5, 6, and 7 to the bill (H. R. 3083) making appropriations for the Treasury and Post Office Departments and funds available for the Export-Import Bank and the Reconstruction Finance Corporation, for the fiscal year ending June 30, 1950, and for other purposes.

The message also announced that the House had passed a joint resolution (H. J. Res. 284) making temporary appropriations for the fiscal year 1950, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 834. An act to amend the Contract Settlement Act of 1944 so as to authorize the payment of fair compensation to persons contracting to deliver certain strategic or critical minerals or metals in cases of failure to recover reasonable costs, and for other purposes;

H. R. 3088. An act to increase the compensation of certain employees of the municipal government of the District of Columbia, and for other purposes;

H. R. 3549. An act to permit the Comptroller General to pay claims chargeable against lapsed appropriations and to provide for the return of unexpended balances of such appropriations to the surplus fund; and

H. R. 5044. An act to continue for a temporary period certain powers, authority, and discretion in respect to tin and tin products conferred upon the President by the Second Decontrol Act of 1947, and for other purposes.

ENROLLED BILL AND JOINT RESOLUTION SIGNED DURING RECESS

Under authority of the order of the Senate of the 29th instant,

The VICE PRESIDENT announced that on June 29, 1949, he signed the following enrolled bill and joint resolution, which had previously been signed by the Speaker of the House of Representatives:

H. R. 4754. An act to simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes; and

H. J. Res. 240. Joint resolution authorizing the erection in the District of Columbia of a statue of Simon Bolivar.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hoey	Millikin
Anderson	Holland	Morse
Baldwin	Humphrey	Mundt
Brewster	Hunt	Murray
Bricker	Ives	Myers
Butler	Jenner	Neely
Byrd	Johnson, Colo.	O'Conor
Cain	Johnson, Tex.	Pepper
Capehart	Johnston, S. C.	Reed
Chapman	Kefauver	Robertson
Chavez	Kem	Russell
Connally	Kerr	Saltonstall
Donnell	Kilgore	Schoeppel
Douglas	Knowland	Smith, Maine
Downey	Langer	Stennis
Eastland	Lodge	Taft
Ecton	Long	Thomas, Okla.
Ferguson	Lucas	Thomas, Utah
Flanders	McCarran	Thye
Frear	McClellan	Tobey
George	McFarland	Tydings
Gillette	McGrath	Vandenberg
Graham	McKellar	Watkins
Green	McMahon	Wherry
Gurney	Magnuson	Wiley
Hayden	Malone	Williams
Hendrickson	Martin	Withers
Hickenlooper	Maybank	Young

Mr. MYERS. I announce that the Senator from Louisiana [Mr. ELLENDER] is absent by leave of the Senate on official business, having been appointed an adviser to the delegation of the United States of America, to the Second World

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

Health Organization Assembly meeting at Rome, Italy.

The Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alabama [Mr. HILL], the Senators from Idaho [Mr. MILLER and Mr. TAYLOR], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Alabama [Mr. SPARKMAN] are detained on official business in meetings of committees of the Senate.

Mr. SALTONSTALL. I announce that the Senator from Wisconsin [Mr. MCCARTHY] and the Senator from New Jersey [Mr. SMITH] are detained on official business.

The Senator from New Hampshire [Mr. BRIDGES] and the Senator from Oregon [Mr. CORDON] are detained at a meeting of the Committee on Appropriations.

The VICE PRESIDENT. A quorum is present.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Connecticut [Mr. BALDWIN] to the amendment of the Senator from Ohio [Mr. TAFT] in the nature of a substitute for titles I, II, and IV of the so-called Thomas substitute for Senate bill 249.

From now until 2 o'clock the time is divided equally between the Senator from Ohio and the Senator from Utah.

As many as favor the amendment of the Senator from Connecticut will say "aye."

Mr. BALDWIN. Mr. President——

Mr. TAFT. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. TAFT. Mr. President, in view of the fact that the substitute proposed for the Thomas bill, is to be voted on at 2 o'clock, does not the unanimous-consent agreement with respect thereto prevent a vote being taken at the present moment on the amendment of the Senator from Connecticut, which is an amendment to the substitute?

The VICE PRESIDENT. If either Senator in charge of the time until 2 o'clock wants to yield time to the Senator from Connecticut or to any other Senator he can do so. The order entered into is that the Senate shall vote not later than 2 o'clock on the so-called Taft substitute. It would not be in order to vote on the amendment of the Senator from Connecticut unless either the Senator from Utah or the Senator from Ohio yields time for the vote.

Mr. TAFT. My understanding of the unanimous-consent agreement is that the Senate cannot vote before 2 o'clock on the substitute or any amendment thereto.

The VICE PRESIDENT. The unanimous-consent order, as the Senator will see by consulting the slip on which it is printed, which probably is on his desk, provides that the Senate shall vote not later than 2 o'clock; but the Senator from Connecticut cannot discuss his own amendment unless either the Senator from Ohio or the Senator from Utah yield time to him.

Mr. TAFT. Mr. President, I would be perfectly willing to have the Senator from Connecticut begin the debate on his amendment, if he wishes to do so. I shall be glad to yield him 10 minutes for that purpose. Since it is the first to be voted on it will not be covered by the 10-minute period referred to in the unanimous-consent agreement.

The VICE PRESIDENT. Does the Senator from Ohio yield 10 minutes to the Senator from Connecticut?

Mr. TAFT. I yield 10 minutes to the Senator from Connecticut.

Mr. LODGE. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. Does the Senator from Ohio yield for that purpose? The Senator from Ohio controls the time.

Mr. TAFT. Yes; I yield for that purpose.

Mr. LODGE. I should like to ask whether, after the amendment of the Senator from Connecticut has been disposed of, there will then be an opportunity to discuss the Taft proposal?

The VICE PRESIDENT. The Senator from Massachusetts can have time yielded to him by either the Senator from Ohio or the Senator from Utah in order to discuss the substitute.

Mr. TAFT. I yield 10 minutes to the Senator from Connecticut. I will then yield 10 minutes to myself to reply to the Senator from Connecticut.

Mr. BALDWIN. Mr. President, yesterday the junior Senator from Connecticut submitted an amendment, for himself, the Senator from Massachusetts [Mr. SALTONSTALL] and the Senator from Vermont [Mr. FLANDERS]. The Senator from Connecticut desires to offer a modification of that amendment at this time on behalf of himself, the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from Vermont [Mr. FLANDERS], and asks that the clerk state it.

The VICE PRESIDENT. The amendment, as modified, will be stated.

The LEGISLATIVE CLERK. On page 12, line 25, of the so-called Taft substitute, after the words "United States" and before the comma, it is proposed to insert "or in the law of any State."

On page 41, beginning on line 16, it is proposed to strike out section (b) down to and including line 20.

Mr. BALDWIN. Mr. President, the purpose of this amendment is to make the law with reference to union shops uniform throughout the entire United States. On page 12 of the so-called Taft amendment begins the description of what constitutes a union shop. At the bottom of page 12 there is this language, in line 24:

Provided, That nothing in this act, or in any other statute of the United States, shall preclude an employer—

Then it goes on to describe what constitutes a union shop. This amendment would add, after the words "United States" the words "or in the law of any State."

The amendment further would strike out, on page 41, the following language:

(b) Nothing in this act shall be construed as authorizing the execution or application of agreements requiring membership in a labor organization as a condition of employment in any State or Territory in which such execution or application is prohibited by State or Territorial law.

It seems to the junior Senator from Connecticut that if we are to have legislation concerning the so-called union shop, such legislation should be uniform throughout the United States. Some States have adopted more stringent regulations against the closed shop and against the union shop than obtain in some other States. Since this act naturally pertains only to goods that pass in interstate commerce, and since it can only pertain to that subject, under the Federal law, the purpose of this amendment is to make the provision concerning the union shop uniform throughout the United States. That is its sole purpose.

In the Thomas bill there is a provision which outlaws State restrictions against the closed shop. I will say quite frankly that this amendment does not go quite so far as the provision in the Thomas bill goes, but it does have the effect of preserving the benefits to labor which it can get from a union shop. It preserves those benefits throughout the country and makes them uniform. It seems to me that if we are to adopt any regulations or provisions with reference to union shops—and the so-called Taft amendment goes into considerable detail concerning them—such regulations should apply equally throughout the United States. I urge the approval of this amendment to the so-called Taft amendment.

Mr. SALTONSTALL. Mr. President——

The VICE PRESIDENT. The Senator from Connecticut has used only 5 minutes of his time.

Mr. TAFT. Mr. President, does the Senator from Massachusetts wish to speak on the amendment?

Mr. SALTONSTALL. I do.

Mr. TAFT. I yield 2 minutes to the Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, I have joined with the junior Senator from Connecticut [Mr. BALDWIN] in offering this amendment because I felt that it was fair.

At the present time in interstate commerce we prohibit tariff barriers between the States. We do that in order to permit free intercourse in trade. If the National Government establishes certain standards of employment for interstate trade, it seems to me that those standards should apply to all States equally. I am a sincere believer in States' rights. I believe that everything possible should be left to the jurisdiction of the State; but in this instance the National Government has taken jurisdiction over certain establishments in interstate trade. Therefore I believe that the regulations should be uniform for all the States, regardless of where they may be situated in the continental United States. For that reason I joined in offering this

amendment to the Taft-Smith-Donnell substitute.

The VICE PRESIDENT. The time of the Senator has expired.

Mr. TAFT. Mr. President, I rise to speak briefly in opposition to the pending amendment. The amendment would strike out the following language in the Taft amendment:

(b) Nothing in this act shall be construed as authorizing the execution or application of agreements requiring membership in a labor organization as a condition of employment in any State or Territory in which such execution or application is prohibited by State or Territorial law.

A number of States have enacted laws imposing a somewhat more stringent restriction on closed shops, union shops, and maintenance of membership. In addition, various States have adopted constitutional amendments.

If we could say that interstate commerce is one thing, there might be some reason for outlawing those State laws. The Thomas bill proposes absolutely to nullify all such State laws and constitutions. The Thomas bill says:

But nothing in this act or in any statute of the United States or in any State law shall preclude an employer engaged in commerce from requiring as a condition of employment membership therein.

In other words, the Thomas bill expressly outlaws State laws which prohibit closed shops. Our proposal in effect validates them. Under the Wagner Act, in which nothing was said on the subject, the Supreme Court of the United States has held that State laws are effective, in spite of the fact that Congress has dealt with the subject.

The truth is that in the whole field of interstate commerce, far back toward the production end, the courts have gone very far in saying that the Federal Government can take charge of that subject, almost back to the work of the farmer himself, back to the original producer. That question is in constant dispute, both in connection with the Taft-Hartley law and the wage-hour law. I believe very strongly that it is a field in which both the Federal Government and the States should be allowed to operate. If the Federal Government actually takes charge, probably the Federal law will govern. But where it does not do so, under our proposal we permit the Board to cede jurisdiction in minor cases to the State Board, where the State has a labor law, even though the State labor law is somewhat different.

If the Federal Government is to take complete charge, we shall find every little strike of every kind thrown into the lap of the Federal Government. So we have left a large part of this field to the States, and the Supreme Court has recognized the propriety of doing so, in spite of the fact that the Wagner Act took jurisdiction of the general field of labor-management relations in all factories. Nevertheless, the Supreme Court said that a State law dealing with that subject, in the absence of any specific Federal interference, was perfectly valid in setting up its own prohibition of a closed shop.

So it seems to me that we should not try to impose an absolutely uniform rule and nullify the action taken by so many States. Therefore I think the pending amendment should be defeated.

I yield 10 minutes to the Senator from Florida [Mr. HOLLAND] on the same subject.

Mr. HOLLAND. Mr. President, I desire to speak in opposition to the amendment offered by the Senator from Connecticut and other Senators, which, if adopted, would not merely return to the provisions of the Wagner Act in this particular field, but would go far beyond those provisions.

Under the Wagner Act the States were permitted to do what in their sovereign judgment was necessary to deal with the question of the closed shop. Under that permissive authority given by the silence of the Wagner Act, 17 or 18 States have adopted either constitutional provisions or statutory provisions which in effect ban the closed shop. One of those States is my State of Florida; and it has done so in the following words which I quote from section 12 of the State constitution:

The right of persons to work shall not be denied or abridged on account of membership or nonmembership in any labor union, or labor organization: *Provided*, That this clause shall not be construed to deny or abridge the right of employees, by and through a labor organization or a labor union, to bargain collectively with their employer.

There was never a fairer provision than that, which specifically protects the right of those in labor unions to bargain collectively, and protects employees against discrimination because of union membership or nonmembership. It cuts completely evenly between those who are in union organizations and those who are not.

Not only has my State taken such action but so have 17 others. In one of the decisions the number is mentioned as 17 States in all, whereas, according to the list handed me this morning, taken from the hearings, there are 18 States in all in that category. I do not pretend to know which figure is correct.

I do know that what is proposed by the Senator from Connecticut and his colleagues is to take away from the States—17 or 18 of them—what they have done under the expression of their sovereign will and the will of their people in this field. Furthermore, it would destroy the salutary effect of the approving decisions of the United States Supreme Court in three cases which it has decided, as to the States of North Carolina, Nebraska, and Arizona.

It is likewise proposed to take away the affirmative action taken under the Taft-Hartley Act in 1947 when affirmatively the Congress said that such actions by the several sovereign States should be recognized, and for that purpose should become a part of the Federal law.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. HOLLAND. I am sorry that because of the limitation of time I cannot yield.

So, Mr. President, let no one think that by any manner of means it is here sought simply to return to the provisions of the Wagner Act, because that is not the case.

Although my time is limited, I must take time to refer to what happened in Arizona, where an amendment was adopted by the people of the State when voting in 1946, banning the closed shop, and later, in 1948, in the election when President Truman was a candidate, the question came up again in a referendum directed at a law which would enforce the provisions of the constitutional amendment. I am glad to say that in that election, in which President Truman carried the State by a large margin, the State by a large margin reaffirmed its decision and continued its ban on the closed shop and approved the law under which the anti-closed-shop amendment was to be enforced and did so notwithstanding the fact that there were injunctive provisions in that law.

One of the most bitter attacks—as set forth by the campaign advertisements shown in the committee report—was made against the continuation of that policy; but despite that attack, the people of Arizona reaffirmed it by a heavy vote.

Mr. President, it seems to me that we of the States who have taken that position are being asked to abjectly give up the action of our sovereign States and to take a position that our States know nothing and that the people of our States know nothing about this important matter in their particular field. I call attention to the fact that neither the same industries nor the same situations prevail in all the States of the Union, and certainly the people of each sovereign State have a stake themselves, and have determined that stake to their own satisfaction, in the matter of whether or not in their wisdom it is proper to ban the closed shop. I call attention to the fact that in passing upon these matters, the Supreme Court of the United States has in its own language upheld the fairness of this approach of the States, and I shall quote briefly from the opinion in the cases of North Carolina and Nebraska, as follows:

Under this constitutional doctrine the due process clause is no longer to be so broadly construed that the Congress and State legislatures are put in a strait-jacket when they attempt to suppress business and industrial conditions which they regard as offensive to the public welfare.

Appellants now ask us to return, at least in part, to the due process philosophy that has been deliberately discarded. Claiming that the Federal Constitution itself affords protection for union members against discrimination, they nevertheless assert that the same Constitution forbids a State from providing the same protection for nonunion members. Just as we have held that the due-process clause erects no obstacle to block legislative protection of union members, we now hold that legislative protection can be afforded to nonunion members.

Mr. President, in that unanimous decision of all nine members of the Supreme Court there is set forth a very sound American doctrine and philosophy. There could not be set forth a more sound American philosophy—that it is fair to use a two-edged sword by which both union and nonunion members are given the same protection against identical discrimination, and the Court has held that this is exactly what has been done under the statute in North Carolina

and under the constitutional provision in Nebraska.

I am now told by the counsel for the committee that 18 States, rather than 17, have acted in this matter. I am glad to have that definite statement placed in the RECORD.

Mr. President, 18 sovereign States have acted in this matter and have determined that in the wisdom and judgment of their people, under the peculiar conditions applying in industry and in labor in those States, it is sound to give equal protection as against discrimination, both to the union members in the State and to the nonunion workers. I call attention to the fact that we are not talking just about interstate or intrastate conditions, but we are talking about conditions of employment within the jurisdiction of a particular State, under which people live, under which they move and have their being, under which they have all their daily relationships. Mr. President, it seems to me it is sound democracy to say and to hold and to continue to hold, as our Supreme Court already has, that the States do have a stake here, and, having acted under that stake, should be protected, because it is not solely a question of in what commerce the goods manufactured should go; but it is a question, submitted to the wisdom and judgment of the people of the several States, as to whether or not, under conditions that obtain there and in the industries they have and under the very conditions they have seen and observed, it is wise to give equal two-edged protection against discrimination both to those who are within unions and to those who for reasons sufficient unto themselves have stayed out of membership in unions.

Mr. President, I sincerely hope that the 18 States who have taken this action will continue to have that protection. I call to the attention of the Senate that there are other States who may wish to take such action.

But again I call particularly to the attention of the Senate that here an attempt is being made to take from us the benefits of the action which has been taken under the will of the 18 States, to take from us the benefit of the approving opinion of the Supreme Court of the United States, which, with unusual unanimity, has approved the soundness and legality of that action; and likewise an attempt is being made to take from us the benefit of the affirmative action of the Congress in 1947, when, looking at the same field, Congress held that it was sound to allow latitude to the States in this particular matter.

Mr. President, I close by reminding the Senate that not only are the things I have already mentioned true, but also it has been sound Federal law in the field of railway employment, ever since the passage of the Railway Labor Act, to require the open shop in that field. However, here it is sought to go far away from the philosophy which has been sound Federal philosophy ever since the year of the enactment of the Railway Labor Act, 1926. Mr. President, I strongly hope that the Senate will reject the amendment offered by the Senator from Connecticut.

Mr. TAFT. Mr. President, I should like to inquire how much time I have used.

The VICE PRESIDENT. The Senator from Ohio has 31 minutes remaining.

Mr. TAFT. Have we used 20 minutes?

The VICE PRESIDENT. That is correct.

Mr. TAFT. I should like to reserve the rest of the time. Have we 50 minutes altogether?

The VICE PRESIDENT. The Senator has 31 minutes remaining, having used 20 minutes.

Mr. TAFT. Then I should like to have the Senator from Utah proceed with his time.

The VICE PRESIDENT. The Senator from Utah is recognized.

Mr. THOMAS of Utah. Mr. President, I yield 12 minutes to the Senator from California [Mr. DOWNEY].

The VICE PRESIDENT. The Senator from California is recognized for 12 minutes.

Mr. DOWNEY. First, Mr. President, I should like to ask unanimous consent that the brief remarks I am about to make may be extended in the RECORD.

The VICE PRESIDENT. Is there objection?

Mr. WHERRY. Mr. President, I did not quite understand the request.

Mr. DOWNEY. I request that the remarks that I am about to make may be extended in the RECORD.

Mr. WHERRY. Does the Senator mean in the body of the RECORD?

Mr. DOWNEY. Yes.

Mr. WHERRY. Is the Senator going to make orally all the remarks he wants to have in the RECORD?

Mr. DOWNEY. No; I wish to extend my remarks by an insertion in the RECORD.

Mr. WHERRY. Mr. President, I should like to accommodate the distinguished Senator from California. There is no one whom I would rather accommodate. But I have requested the same thing many, many times, and there has always been objection.

Mr. TAFT. Mr. President, I think I would have to object, because the time has already been divided, and the remaining time is rather short.

Mr. DOWNEY. Mr. President, in order that I may make my position clear I have prepared a statement.

Mr. TAFT. A statement on this subject?

Mr. DOWNEY. Yes.

Mr. TAFT. Then I have no objection.

Mr. WHERRY. Mr. President, I have no objection to having it printed as a statement; but if I correctly understood the distinguished Senator from California, he wanted to have the remarks appear in the body of the RECORD as if they had been delivered orally.

Mr. DOWNEY. No.

Mr. WHERRY. Then there is no objection.

The VICE PRESIDENT. Is there objection to the request of the Senator from California that a statement which he has prepared may be printed in the RECORD as a part of his remarks? The Chair hears none. Without objection, it is so ordered.

(The statement appears at the conclusion of Mr. DOWNEY's remarks.)

Mr. DOWNEY. Mr. President, after 10 years——

Mr. TAFT. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. TAFT. Is the Senator from California speaking on the time of the Senator from Utah?

The VICE PRESIDENT. The Senator from California has been yielded time by the Senator from Utah, and it is now running. [Laughter.]

Mr. DOWNEY. Mr. President, in view of the fact that my remarks are going to be very brief, I do not worry about that, and I am certain that there is no great anxiety on the part of my colleagues in the Senate. As I was about to say, after 10, more or less, happy years spent in the Senate, I have come to believe in the futility of most debate upon the floor of the Senate, and I certainly have no hope that anything I may say will in any way affect the coming vote upon the Taft substitute; a vote which apparently will be for the adoption of the amendment. But, Mr. President, for my own record I want to make clear that it seems to me the Taft substitute still contains the core of the Taft-Hartley Act. I know there are certain minor modifications which may be considered a gesture toward union labor's viewpoint. I know there are some changes in the proposed law. But, so far as I am concerned, the substitute amendment which will soon be voted on is essentially the Taft-Hartley Act.

Mr. President, I was opposed to the Taft-Hartley Act because I do not consider it a fair charter for trade-unionism. In my opinion, neither from the standpoint of the employer nor from the standpoint of the employee is it aptly designed to bring about conditions permitting fair and just negotiations between the employees and the employers. I do not yet, so far as I am concerned, consider the question finally settled. I do not believe it will be finally settled until we have worked out a more satisfactory solution, one which will better protect the union workers of the United States. When I speak of the welfare of the unions, I want to say I include in the statement the welfare of all wage earners, indeed, of the entire Nation.

In the chaotic and dynamic decades that lie ahead, beyond any doubt, Mr. President, this Nation will be subjected to turmoil and crises. Revolution may rear its ugly head, dictatorships may be possible, and in my opinion, the strongest protection we in the United States can have against undemocratic and tyrannical movements lies in a strong and righteously protected trade-unionism.

Unless the defense of our liberties and free economy is spearheaded by the great working groups of America, properly protected and acting under reasonable laws, I do not believe we can hope to maintain our present democratic liberties, to which we are all devoted.

So I say, Mr. President, in my opinion, anticipating the favorable vote which is going to come on the Taft amendment, I

think, after we have voted, we shall have adjourned this great controversy to a larger arena, and we will be preparing for that arena from now until the next election. I hope that through intelligent publicity, tolerance, and fair argument the American people may be brought even more thoroughly to understand the principles of trade-unionism, the importance of having labor negotiations properly protected, and the necessity at the next election of again expressing themselves in opposition to such a measure as the pending amendment.

STATEMENT BY SENATOR DOWNEY

The closed shop has been rendered illegal by the Taft-Hartley Act. The Congress of the United States made the grievous mistake of depriving union men of the right to contract with their employer on this vital subject. The Congress used the excuse, in making the closed shop illegal, that some abuses had been committed under it. The mere fact that abuses were committed, on occasion, does not justify outlawing the entire institution.

There are many institutions which are not inherently wrong merely because there may be a few abuses. Experience has shown, and the history of collective bargaining has demonstrated, that peaceful labor relations prevail where the closed shop has prevailed. The closed shop, in which the employer and the union share in the responsibility of hiring, has had a stabilizing effect upon the labor-management relationship.

In 1947, before passage of the Taft-Hartley Act, 30 percent of the approximately 12,000,000 union members under agreements were covered by closed-shop provisions. The industries in which these agreements were most general were those with the longest history of organized labor relations: the building construction, garment, printing, maritime, glass workers, and similar trades. It is precisely in these industries that labor relations were on the most mature and friendly basis.

In 1947 Mr. John O'Keefe, the secretary of the Chicago Newspaper Publishers Association, testified as follows before a subcommittee of the House Labor Committee:

"Congressman KERSTEN. Up until now, and for a great many years past, you had a closed-shop agreement, didn't you?

"Mr. O'KEEFE. Yes; we did.

"Mr. KERSTEN. How did that feature work out in your previous contracts so far as your closed-shop provision of the contract was concerned?

"Mr. O'KEEFE. We never even discussed it. It had been there for years and it has remained there.

"Mr. KERSTEN. Did you have any real difficulty with it so far as your union, the ITU, is concerned?

"Mr. O'KEEFE. We did not. As a matter of fact most of the Chicago publishers, or all of the Chicago publishers, I would say, would prefer to continue a closed shop if it were legal.

"Mr. KERSTEN. The reason for that is that this particular union has been a long-term institution that has a certain amount of tradition behind it, a considerable amount, and it is a responsible union, and under those conditions a closed shop has worked out so far as the Chicago publishers are concerned. Is that right?

"Mr. O'KEEFE. Yes; it has."

My learned colleagues have already called to the attention of the Senate the testimony of Mr. Paul Geary of the Electrical Contractors Association, the editorial position in favor of the closed shop taken by the Chicago Tribune, the analyses of the Reverend Father Toner in support of the closed shop, and the views of other authorities and commentators.

In testifying before the subcommittee of the House Labor Committee in March of this year, Mr. James Monroe of Collingsville, Ill., the publisher of the Collingsville Herald, said:

"Unions never have been strong except where the closed shop is the rule. And, however strong they become, they never have been able to win in a battle to the death with stubborn management, because hunger, their hunger, always is on the side of the employer, and the odds are 10 to 1 that he can outstarve them.

"Much is made of the right of nonunion men to work—and you have heard that phrase a lot of times, that every man has a right to work whether he has a card or not—which is quickly distorted into the proposition that they have a right to work alongside union men. This is based on a premise which I do not accept. While I agree that every man has a right to work at whatever he can find to do, I do not agree that it is the duty of any other man to employ him, or that he has any right to demand employment, much less to coerce the conditions of his employment as against the interests of others who may be employed; particularly would I resist the idea that a nonunion man has the right to force himself into the better conditions which I think it may be assumed the union has provided without any effort of his. Employment is essentially a matter of agreement."

The American labor movement would never have been so strong, so independent and so much a part of the country if it had not adopted in its earliest days the firm principle that union men do not work with scabs. This simple rule has made it possible for unions to organize. It has made it possible for unions to protect themselves.

In order to insure union solidarity, all well organized unions have demanded closed-shop contracts. Where such contracts exist, exclusion of nonunion workers ceases to be a matter of argument. To union members, the closed shop is the one sure way of protecting their gains, insuring against defections by the weak-hearted at the first sign of adversity, preventing undermining by the employer and agents of the employer and thereby preserving stable industrial relations where attention can be concentrated on the principal issue: the establishing of working conditions fair to both sides.

The closed shop is not new. It has existed in America for more than 130 years. Until disrupted by the Taft-Hartley Act, it was accepted in all industries which have long and satisfactory bargaining relationships.

The closed shop is also accepted by employees. This is shown by the experience of the last 2 years under the Taft-Hartley Act. All but 2 percent of the elections held to determine whether employees approved union security went in its favor. Of the employees voting, opponents numbered only 5.1 percent.

Nevertheless, opponents of the closed shop insist that it must be prohibited in order to restore the "right to work." The 5 percent must be protected against their brothers who have so firmly supported the traditions of the American labor movement.

Of course this demand does not come from the workers themselves. It does not even come from the 5 percent. It comes from those who have always been supporters of the employer viewpoint—the same groups who have lost all interest in the right to work when employees are discharged either because of an economic decline or because they decided to join unions. It comes from those who today insist that the millions of supervisors in American industries have no right to work as union members and that plant guards have no right to work as members of unions representing other employees. It comes from those who would place extensive curbs on the right of all employees to stop working when they find their working conditions unsatisfactory.

The phrase "the right to work" should be clearly understood. It is not complete as it stands. Written out in full it would read, "The right to work at low wages" or "at nonunion standards" or "as a strikebreaker." This must be so, for if the employee is to be paid at union rates there is no reason why he should not accept the burdens of union membership along with its benefits. It is universally recognized that no worker has the right to a "free ride."

But the right to work at low standards is not a right at all. American labor, through bitter sacrifices over the years, has lifted the American standard of living far above that of any other nation. It has also established the closed shop in order to protect the gains made by its sacrifices. Nothing can come of protection of the illusory right to work except the lowering of standards for all workers.

The right to work is nonexistent on another count. No employee can get work unless an employer can be induced to give him a job. The right to work means nothing if an employer says "No." When employees enjoy the right to work in the sense of the proposed amendments, what really happens is that the employers have the unlimited right to decide whom they will employ—to play favorites and to hire those who will work for the lowest wage. The employee on the other hand has no rights at all. He cannot demand employment. When he cannot get work it makes no difference whether or not he is a union member. Is this a right which employees can be expected to support enthusiastically?

The closed-shop contract limits the life and death power of the employer over the livelihood of workers, but only to a very small extent. The workers do not get the right to work. They get only the right to demand that employers shall not hire at low wages. The employees thus protect themselves against undermining of their standards.

True, the closed-shop contract curbs the employer's choice and transfers part, a small part, of the power to hire to unions. It does no more, however, than to prevent the employer from using his hiring power to destroy living standards and create industrial turmoil. Unions have had no hesitation in admitting nonunion employees to membership, except where economic conditions make limitations essential to the members' welfare. The closed-shop contract is designed for the sole purpose of insuring equal sharing of the burdens along with the benefits of union membership and preventing the break-down of union standards.

In some cases the closed shop has necessarily been used to prevent the creation of a greater supply of trained workers than the market can use. Some such restriction is essential to protection of union standards. Even with the closed shop, a dangerous threat is created by the existence of a large pool of unemployed workers who are reluctant to desert their trade because they have received long training in a skill.

In periods of economic depression this question becomes of particular importance. During the early 1930's, as many as 50 percent of the workers at a particular trade or calling were unemployed. Under such circumstances the competition for the available jobs became a matter of life and death. Strong pressures were placed on employers to hire relatives, or friends, or acquaintances without previous experience, or with little knowledge of, the trade. Often employers were willing to succumb to such pressures, with the consequence that workers with many years of experience, with families dependent upon them, and with high skills, were displaced. But where the closed-shop agreement was in effect, such discriminatory treatment was avoided. The union, through its own machinery, established seniority rosters

by which those with the most skill and experience were given a preference in hiring.

The closed shop insures fairness in the hiring of employees and prevents the discriminatory allocation of job openings at the personal whim or caprice of the employer. But the Taft-Hartley Act, and the proposed Taft amendments, are designed precisely to safeguard, by Federal law, the exercise of such whim or caprice by the employer. In time of depression, this can mean only that the employer shall be free to hire whomever he wills, for reasons of personal favoritism, or through bribery, or because the prospective employee is willing to cut the economic throat of his fellow employees, or for any other reason whatsoever. This is not a union-security provision. The Taft-Hartley Act provides a Government-dictated open shop. Even collective bargaining on the issue is outlawed.

Under the closed shop, or preferential hiring, or similar arrangements, the power over hire is shared; the union's interests are protected by joint arrangements concerning the manner of hire, and the employer's interests are protected by the freedom to choose among union members and the invariable right to discharge for incompetence or other agreed reasons within a stated period. It is a truism to point out that this places economic power in the hands of the union. Unions are organized in order that economic power shall not rest solely in the hands of corporate or other employers.

As one outstanding example, since 1852 the International Typographical Union, and before that as early as 1815 the local societies which made up the ITU, have operated on a closed-shop basis. During that period the industry has grown handsomely, profits have been good, no person has been denied access to the trade who showed the requisite qualifications, and wages and hours have been fair. No one would suppose that access to the trade would have been fairer or more orderly if the employers in the industry had retained sole power over hire; on the contrary, their interest in hiring any applicant willing to accept lower than union standards would have glutted the market, caused a lowering of craft standards, produced unemployment and resulted in chaos in the industry. Employers, as a group, are more likely to exercise a whimsical or discriminatory power in hiring than are unions, whose rules are dependent on the democratic voice of the members.

The number of jobs available in an industry has no relation to the closed shop or any other form of union security; it is determined by the economic facts of the trade. The only question is whether this power over hire is to be shared, or exercised solely by the employer.

But under Taft-Hartley, the employer has sometimes the duty, sometimes the right, but always the practical power to hire anti-unionists, or wage-cutting nonunionists, or disrupters—and unions are probably helpless even to withdraw their members in protest. Under that act, the employer is free to discriminate against applicants for employment on the ground of race, color, creed, national origin, or for purely whimsical reasons. But the nonunion man is protected, and nonunionism thereby becomes the cherished object of Federal protection.

These objections to the Taft-Hartley Act are not cured by the proposed Taft amendments which would permit employers to notify unions of "opportunities for employment," and allow unions "a reasonable opportunity to refer qualified applicants." It would, as the minority report makes clear, still be unlawful under such provisions for an employer and a union to agree that only union men should be hired. In the absence of such an agreement, the employer remains free to hire whom he wishes; unions are denied the right to share in this power of selection; and are probably denied as well the right of effective protest through the strike or other means. These provisions do not protect minority groups, or the public; indeed, they do not even accomplish the malodorous Taft-Hartley objective of giving a preferred status under Federal law to nonunion men. The only beneficiary is the employer; the victims are trade-union members whose dearly bought security in their jobs is thereby removed at a stroke.

The Thomas bill authorizes "employers engaged in commerce, or whose activities affect commerce" to make agreements with labor organizations providing for the closed shop or other form of union security, and for the check-off of union dues. It would supersede State laws which prohibit or restrict the right of unions and interstate employers to enter into such agreements. This latter provision corrects the evils of section 14 (b) of the Taft-Hartley law which surrenders to State laws which are more restrictive (but not to State laws which are less restrictive) than the Taft-Hartley provisions on union security.

The Wagner Act was silent as to restrictive State laws. However, very recently the United States Supreme Court held that section 8 (3) of the Wagner Act did not preclude the enforcement, against interstate employers, of State laws regulating union security since Congress had not manifested an "unambiguous purpose" that State laws be supplanted. In light of these decisions it is essential for Congress to express an "unambiguous purpose" that restrictive State laws be superseded since they conflict with the national policy on union security and the check-off.

Certain quarters have charged that a provision superseding restrictive State laws is an invasion of State rights. However, those who resort to the State-rights doctrine in discussing the regulation of interstate commerce display a profound misconception of Federal-State relations as conceived by the Constitution.

No principle is better established in constitutional law than the doctrine that Congress has supreme power to regulate commerce among the States. Whenever States regulate interstate commerce, they do so only by the grace and sufferance of the Federal Government. Congress may at any time assert its constitutional prerogative to preempt the field of interstate commerce, and render ineffectual even State laws not contrary to national policy. Patently, Congress may do likewise when a State law directly conflicts with national policy.

And conflict there would be indeed if restrictive State laws—already in effect in 16 States—were permitted to exist side by side with a Federal law authorizing union security and the check-off. The Thomas bill protects union security and check-off agreements, arrived at in the process of free collective bargaining, because such agreements reduce strikes and avoid interruption to interstate commerce. Yet, without a provision definitely establishing the paramount effect of Federal laws, exactly opposite effects on interstate commerce would obtain in the States which outlaw or restrict union-security agreements. Employers in these States, by the fortuitous circumstance of their location, would be prohibited from bargaining on union security, while employers in other States would be free to do so. Employers who operate in many States are now required to adopt varying collective-bargaining policies on union security for the different States, even though they have a uniform bargaining policy as to other matters. Not only does such a situation thwart national policy; it encourages States to lure industry to locate within their boundaries by adopting antilabor legislation.

When Congress enacted the antitrust laws to curb monopolies in trade or commerce, it did not at the same time provide that State laws permitting monopolies might continue to exist. To have done so would have defeated the very purposes of the Federal policy. Likewise, the wages-and-hours law does not permit conflicting laws to operate as to employers engaged in interstate commerce.

It was precisely to avoid such discriminatory and disruptive effects upon interstate commerce, flowing from a multiplicity of varying State laws, that the commerce clause of the Constitution was conceived. Stability of our economy requires a national uniformity in collective bargaining and not a patchwork geared to local laws. Such uniformity is possible as to union security and the check-off only if restrictive State laws are banned as to employers in interstate commerce.

We have the duty to protect and encourage collective bargaining. In the performance of that duty we must restore the right of union men to bargain for the closed shop and other forms of union security. Our duty to regulate interstate commerce compels us to assert definitely and without qualification that the various State laws which conflict with the Federal law on labor relations must yield to the supremacy of the Federal Government.

We deal here with a momentous issue. I have addressed my remarks to the closed-shop agreement, which has worked fairly and well over our entire history. But the debate does not end there. Suppose that union men, in the exercise of their rights and not pursuant to a closed-shop agreement, simply refuse to work with nonunion men. Will the proponents of the Taft amendments say that such action is illegal? If it is illegal for men to quit or strike under such circumstances, then you have effectively chained them to their jobs, by law, and the involuntary servitude prohibited by the Constitution is written into the statute. If the employees may quit or strike in protest, employers will in practice have to hire only union men. But if that is to be the result, why outlaw the frank and aboveboard statement of the closed-shop agreement?

It is shocking that under the Taft-Hartley Act law-abiding employers and unions have made all manner of tacit and bootleg closed-shop agreements. The practical impossibility of removing the deep-seated aversion which union men have to working with nonunionists is known to intelligent employers. They will not risk the destruction of their businesses to realize the unrealistic ambition of the act.

There is only one genuinely American way to handle this problem. It is to recognize the right to the closed-shop agreement, voluntarily arrived at between employers and unions, through the process of free collective bargaining. To say that a union shall not be allowed to ask for the closed shop is not different, in principle, from saying that every employer must grant the closed shop. Needless to say that I oppose both. I stand for freedom from governmental interference in these relations and a restoration of that free collective bargaining which marked our experience under the Wagner Act.

The VICE PRESIDENT. The Senator from California consumed 7 minutes.

Mr. THOMAS of Utah. Mr. President, I yield 8 minutes to the Senator from Massachusetts [Mr. LODGE].

The VICE PRESIDENT. The Senator from Massachusetts is recognized for 8 minutes.

Mr. LODGE. Mr. President, I intend to vote against the Taft amendment for a number of reasons, but primarily because it enables States with stringent antilabor laws to induce industry to move from the Northern States, and therefore it appears to me to be a direct threat

to everyone in Massachusetts whose livelihood depends on Massachusetts industry.

The amendment contains 22 separate features, 5 of which have already been taken care of in separate amendments, which, with my support, have already been adopted. These five features are: that unions as well as employers must bargain collectively; that the right of free speech is guaranteed to the employer; that the non-Communist affidavit requirement has been extended to employers; and that unions must make financial reports to the Secretary of Labor and to their members. There is in addition a provision regarding national-paralysis strikes, which, of course, was dealt with separately in the Taft-Donnell-Smith amendment, adopted on Tuesday, and for which I voted, although I thought it far from an ideal solution.

This leaves 17 points for consideration, some of which enlist my agreement. For example, I agree with the provision forbidding strikes by Government employees; I favor the proposition of putting welfare funds under the supervision of the Secretary of Labor; and I believe that unions as well as employers must be responsible on their contracts. But it is the unfortunate vice of these omnibus legislative proposals that there are often a mixture of matters with which one agrees and matters with which one differs. In this case there are features of the omnibus substitute which cause me, as a Senator from Massachusetts, to conclude that the draw-backs far outweigh the advantages.

In reaching this conclusion, I do not dwell, for example, on the provision regarding expenditures for political campaigns, which I believe has no relationship whatever to interstate commerce, and which belongs in the Corrupt Practices Act instead of in a labor bill; nor do I dwell on the fact that the independent mediation service, which as a strictly voluntary agency has no power of making binding legal decisions, is much more logically placed in the Department of Labor, and that placing it there, from the standpoint of economical housekeeping, would be much more in harmony with the spirit of the Hoover Commission recommendations. There are other matters of which I also disapprove.

But the most decisive factor in my mind is the provision of the amendment which, in addition to prohibiting certain kinds of compulsory unionism, asserts the power of the States to regulate compulsory unionism within their boundaries. Although I shall vote for the amendment which the Senator from Connecticut and my colleague have offered, it does not cure the evil at all. The question that I am referring to is no simple question of States' rights. Indeed, as it stands, it is a one-way street, which, in the Southern States particularly, operates against the development of healthy labor organization and specifically gives Federal protection to all State laws which go against union security without giving corresponding Federal protection to State laws which might favor unionism.

I have heard it said here this morning that there are 17 or 18 States that have prohibitions against the closed shop. Mr. President, no one has pointed out—and, therefore, I think I should point it out—that in the State of Massachusetts the closed shop was specifically sanctioned by State law, enacted by a Republican legislature and a Democratic governor, in 1938, and that an attempt to ban the closed shop was put on the referendum at the election in November 1948 and was overwhelmingly rejected. That is part of this picture, too, and it is no wonder, when we see the way the so-called States' rights provision is set up, that sincere men believe that this provision effectively destroys any future for unionism in Southern States, many of which are openly attempting to induce industry to leave the Northern States so that they can operate without unions. This appears to me to be a direct threat to everyone in Massachusetts whose livelihood depends on Massachusetts industry.

Mr. President, call the roll of industries which, according to reliable reports, have either moved South from New England since the end of World War II, or which have curtailed northern operations and expanded in the South. There is the Blackinton Mills, of North Adams, Mass., which moved to Conestee, S. C. There is the worsted department of M. T. Stevens Co. in Peacedale, R. I., which moved to Rockingham, N. C.; the Fitchburg Duck Mills, of Fitchburg, Mass., which moved to Greenville, S. C.; the Linen Thread Co., of Millbury, Mass., which moved to Blue Mountain, Ala.; the Ace Woolen Co., of Manchester, Conn., which moved to Texas; the Pepperell Manufacturing Co. finishing plant, of Lewiston, Maine, which moved to Opelika, Ala.; the Premier Worsted Co., of Bridgeton, R. I., which moved to Raleigh, N. C.

Here are the names of companies which have curtailed northern operations and which have expanded in the South: The American Thread Co., Inc.; the Berkshire Fine Spinning Associates, Inc.; the Maverick Mills; and the Naumkeag Steam Cotton Co., which have all purchased real estate in the South; and the Aspinook Corp.; the Bachmann-Uxbridge Worsted Corp.; the Berkshire Woolen Co.; the Clark Thread Co.; the Pepperell Manufacturing Co.; the Premier Worsted Co.; the J. P. Stevens & Co., Inc.; the Textron, Inc.; Cranston Print Works Co.; Deering, Milliken & Co., Inc.; Guerin Mills, Inc.; Pacific Mills; and Plymouth Cordage Co., Federal Fiber Division.

This is not only a very serious threat to the economic life of Massachusetts; it is very bad policy for the United States. In 1938, when the wage-and-hour law was pending in Congress, I took the position that the maintenance of substandard labor conditions in the South was not only injurious to Massachusetts from a competitive standpoint but was also bad for the people of the South, and therefore bad for America as a whole. It is this aspect of the pending amendment which especially impels me to vote against it, in the belief that the Thomas bill as we have amended it will give every possible protection to the Massachusetts public.

Insofar as the other provisions of this amendment are concerned, they perpetuate a degree of Federal supervision of unions which, in the nature of our political system, cannot fail, if continued, to lead to further governmental incursions into the affairs of management. It is accurately stated that at the beginning of 1948 there were 113 manufacturing companies with assets of more than $100,000,000 which owned 50 percent of the Nation's manufacturing property, plants, and equipment. This is a concentrated target for those who wish to socialize America.

There is perhaps no field of human activity in which the enactment of laws will accomplish less that is constructive than in this particular field of industrial relations. Without a spirit of accommodation, of discussion, of compromise, of give and take, of live and let live, we can never solve these industrial problems. We must remember that this country, with its great variety of peoples, was born of compromise. It has—with one tragic exception at the time of the Civil War—lived by compromise. It probably can only endure by compromise.

Mr. THOMAS of Utah. Mr. President, I yield 4 minutes to the Senator from Oregon.

The VICE PRESIDENT. The Senator from Oregon is recognized for 4 minutes.

Mr. MORSE. Mr. President, I am very happy to find myself in complete support of the position taken by the distinguished Senator from Massachusetts [Mr. LODGE]. In 1947 I warned the Senate that one of the most unfair and unjust provisions of the Taft-Hartley law was the provision which violated that which I think is fundamental in jurisprudence, namely, the uniformity of application of Federal law in this country. The proposal of the Senator from Ohio and of the Senator from Florida [Mr. HOLLAND] constitutes a proposition which cannot be reconciled with the principle of uniformity of application of Federal law to all parties in America.

I want to say, Mr. President, that the citation of Supreme Court decisions by the Senator from Florida completely misses the point, because the Supreme Court in those cases—and this is the heart of it—was very clear that it is within the prerogative and the right of the Congress of the United States to pass such legislation as the Senator from Connecticut [Mr. BALDWIN] is proposing in his amendment. The Court merely held that in the absence of Federal legislation on the subject, the States were free to legislate on the question of union security.

In 1947 I warned that this proposal in the Taft-Hartley law would discriminate against employers in high labor standard States. Let us not mince any words about it. Here is the economic fact with which we are confronted on this point. This proposal, Mr. President, plays into the hands of those Southern and a few Midwestern States which do not have fair-labor legislation. The result is that employers are finding it necessary to transfer plants from the East and the Middle West into the South to take advantage of the low wages and the low

labor standards which prevail under such laws as exist in those States.

We are dealing with the concept of interstate commerce, and what the Congress of the United States is, in effect, doing is saying that it will delegate to the States the Federal prerogative over the regulation of interstate commerce by providing that when a State passes a law more drastic and unfavorable to labor than is the Taft-Hartley law, then that State law will supersede the Taft-Hartley law.

I want to say to a group in my State at this moment, Mr. President—the lumbermen who have been telegraphing me and asking me to support the Holland amendment—that, as I have told them in my telegrams, I shall not support the Holland amendment, because supporting it will discriminate against the lumber industry in my State and it will be only a short time before they will rue the day that they thought they wanted the Holland amendment adopted, because in Oregon they will never get through, if they ever try, the type of labor legislation which is in effect in the 18 States to which the Senator from Florida [Mr. HOLLAND] has alluded. In the best economic interest of the lumber industry in my State I shall not vote today for a provision in the Taft substitute that will make it possible for the cheap labor standards of southern lumber mills to get an advantage over the high labor standards of Oregon mills.

I close by saying that the issue is this simple: Does the Senate of the United States want to delegate to individual States its prerogative to regulate and control interstate commerce? If it does, it will discriminate against every employer in a high labor standard State. I say the Taft proposal is unfair and unjust to American employers who have to operate in those States which maintain decent labor laws.

The VICE PRESIDENT. The time of the Senator has expired.

Mr. THOMAS of Utah. Mr. President, I yield 6 minutes to the Senator from Florida [Mr. PEPPER].

The VICE PRESIDENT. The Senator from Florida is recognized for 6 minutes.

Mr. PEPPER. Mr. President, it is obvious that the Senator from Ohio [Mr. TAFT] is again writing the labor law of this Congress. It is also obvious that the Senator from Ohio, like the ancient Bourbons, has learned nothing from the Taft-Hartley Act failure. It is also clear that the Senator from Ohio has again branded upon his party the words "We are unfriendly to American labor." The RECORD will show an overwhelming majority of the Democratic Party has stood behind its President, its platform, and democratic principles in an effort to redeem its pledge to the American working men and women to rid them of the oppressive tyranny of the Taft-Hartley law. On the other hand the RECORD will show that an overwhelming majority of the party of the Senator from Ohio, the Republican Party, has arrayed itself stalwartly and unswervingly against such principles and policy. I am glad the issue has been made clear. I am glad, Mr. President, that we can take this controversy from the Congress to the country, and that the American people, in their own way and wisdom, shall decide, as the final arbiters, where their interest and their sympathy lies.

Mr. President, it is obvious that the Taft-Hartley law, by premeditated design, has had the effect of strangling the labor union movement of America. Only last night I heard from the leader of the largest labor organization in the textile industry the report that before the Taft-Hartley law went into effect his union lost 46 percent of the elections held and 64 percent of the employees involved in the effort to organize the southern textile workers. But after the Taft-Hartley law his union lost 54 percent of their elections and 87 percent of the workers affected by the elections.

By imposing one stringency after another, Mr. President, the Taft-Hartley law has made the organization of workers more difficult. It has subjected them to vexatious litigation and directly and by its influence, to the strangulation of the injunction process.

Mr. President, by breaking the worker's shield, by taking away his union sword, it has choked the effort of the worker to demand and to protect a decent wage, and to improve the conditions of his own labor. The bill which the Senator from Ohio now proposes to give us—and evidently has the support to foist upon us—is nothing but another bobtailed edition of the Taft-Hartley law of the Eightieth Congress.

Mr. President, those who had hoped that on this vital issue they might see a change in sentiment, in the Republican Party and some Democrats, that they might see a recognition of Taft-Hartley failure, are doomed to dissolutionment and disappointment, apparently, if the votes of the past can be taken as the prologue of the future, as it now appears clear we may expect the adoption of the Taft substitute.

Mr. President, the Taft substitute is antilabor. The Taft substitute preserves Government by injunction. It denies workers the right to aid one another in a common interest and effort. It subjects unions to vexatious litigation and to lawsuits which can drain their treasuries of the hard earned fees of the workers. It denies workers the privilege of a fair picket line. It forbids free collective bargaining to the employer and his employees if they choose the closed shop. It is prejudiced against labor by allowing more stringent State laws to prevail if they are antilabor but making the Federal law if it is more restrictive upon labor, the prevailing authority. It makes more difficult check-off and maintenance practices and union security. It hampers the welfare funds. It still, by innuendo, castigates the American worker as unpatriotic, and encourages the restriction of union organization by the preservation of the power of the employer to intimidate his workers under the false slogan of free speech.

So the American people now will determine whether they will endure an unfriendly national labor policy, or whether they will repudiate the new Taft law as they did the old. I have no doubt about the outcome.

The PRESIDING OFFICER (Mr. LONG in the chair). The time of the Senator from Florida has expired.

Mr. THOMAS of Utah. Mr. President, I yield 5 minutes to the Senator from Kentucky [Mr. WITHERS].

Mr. WITHERS. Mr. President, in the 5 minutes allotted me by the chairman of the committee, I wish to direct my remarks against the Taft substitute. I remind Senators that it has been asked frequently from the other side what we would do about the fifth amendment to the Constitution, which provides that no person shall be deprived of life, liberty, or property without due process of law, and that private property cannot be taken for public use without just compensation.

Mr. President, I think we all agree that the work of the laborer is property. If at the time a worker seeks to strike he is not obtaining a living wage, he is required, under the Taft substitute, to work 60 more days, under an injunction, regardless of whether or not he is obtaining a living wage, and the difference between his salary and a living wage is the compensation of which he is being deprived without due process of law, according to my idea.

On the converse, if management reaches the point where its commodities have depreciated in market value to such a point that it cannot pay the prevailing wage, and is called upon, because of that circumstance, to reduce the wages of its workers, then comes in the Senate's injunction and says, "But you must work 60 more days," and those 60 days may mark the difference between the continuation of business and the cessation of business entirely. So, on either horn of the dilemma we find no provision made for just compensation. We find the taking of private property without due process of law, because due process of law in that case implies and expresses that due compensation must be had.

All the faith and credit that have been attributed to the workability of the injunction have failed despite the fact it partly worked the four or five times it was invoked. Whether or not the injunction was successful in the coal strike, I should like to call the attention of this entire body to the fact that Mr. John L. Lewis obtained the greatest victory, in the settlement of the dispute between him and management, that he ever obtained in all his life. Those who have attached so much weight to the injunction, and what it did, must give him the credit of obtaining his greatest victory.

Mr. TAFT. Mr. President, will the Senator from Kentucky yield?

Mr. WITHERS. I yield.

Mr. TAFT. Does not that prove that the injunction and seizure are not a weapon against labor, rather in favor of labor?

Mr. WITHERS. On the converse, it proved in that instance that it was a weapon against management and the public who pay the bills. I presupposed the question.

Mr. MORSE. Mr. President, will the Senator from Kentucky yield?

Mr. WITHERS. I yield.

Mr. MORSE. In the Lewis case, was it not the agreement that was entered into between Lewis and the Senator from New Hampshire [Mr. BRIDGES] and the operators that settled the case, instead of the injunction? Is it not true that Lewis continued the strike, in spite of the injunction, for 12 days, until the operators entered into an agreement?

Mr. WITHERS. The Senator is correct in that. So where is all the virtue that has been attached to this coercive remedy, this remedy that takes not all of one's liberty, as the generous Senator from Ohio has stated, but takes only part of the liberty, saying, "All we want is for you to sacrifice some of your liberties," and we answer, "You would let the public suffer."

Are we to protect the public as a whole, or may we protect all segments of the public? If we see that any portion of the public is deprived of liberty, it is not our duty to wait until the whole public is concerned. I say that under the American principle the whole public is concerned when any portion of the public is being imposed upon and its liberties taken away from it.

I say that if we take away the liberties of the public for only a part of the time, or of only a segment of the public, we must realize that the whole public is concerned.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. THOMAS of Utah. Mr. President, I yield 10 minutes to the junior Senator from West Virginia [Mr. NEELY].

Mr. NEELY. Mr. President, a few days ago, I demonstrated to the Senate the fact that the distinguished Senator from Ohio [Mr. TAFT] had, by catching suckers on Capitol Hill with his unbaited Taft-Hartley hook, reached heights of angling fame greater than any other man ever attained since the day the Saviour by the sea of Galilee made Simon Peter and Andrew his brother and Zebedee's sons, James and John, fishers of men. But the Senator is insatiate. Like Oliver Twist, he not only asks for more but seeks to increase his catch by means of a new disguise, which is adequately described and the consequences of the utilization of which are sufficiently indicated by the following picturesque language of Alice in Wonderland:

> How doth the little crocodile
> Improve his shining tail
> And pour the waters of the Nile
> On every golden scale!
>
> How cheerfully he seems to grin,
> How neatly spread his claws,
> And welcome little fishes in
> With gentle smiling jaws!

With unspeakable regret, we observe that the poor fish are, with pell-mell impetuosity, entering the abyss which should, but unfortunately does not, bear the inscription which Dante saw above the door to the inferno, "Abandon hope all ye who enter here."

With due acknowledgment to the able Senator from Illinois [Mr. DOUGLAS] and to an unnamed song writer of the gay nineties for some lines the Senator recently used in a New York speech, I supplement my quotation from little Alice with the following:

"At the finish of the ride, the Republicratic and the Dixiecratic Senators will be inside the smile on the crocodile."

How 20,000,000 working men and women will mourn this swallowing up of the authors and perpetuators of their Taft-Hartley law oppression no pen will ever write, no tongue will ever tell!

Today the Senator from Ohio, with his rare ability to play many diversified roles, is reenacting the last tragedy of blind Samson's life. The renowned strong man, by pulling down a building, slew 3,000 of his Philistine enemies who were rejoicing in his captivity. But, Samson, in killing his foes, also killed himself.

The Senator is about to pull down on his own head a structure that will at once politically exterminate him and all the Dixiecrats and all the Republicrats who vote with him, and even the Republican Party itself if it continues to follow him in his headlong endeavor to harass the Nation's toilers with either the original Taft-Hartley law—the abomination of desolation spoken of by the prophet Daniel—or with the modified version of that monstrosity known as the pending Taft amendment.

But for the Republican Taft-Hartley rattlesnake law there would, at this hour, be no Democratic President in the White House; there would not be even the present paper Democratic majority in the Senate; there would not be a real Democratic majority in the House of Representatives.

Manifestly, the Republican minority in the Senate, under the imperious leadership of the Senator from Ohio, is determined to perpetuate the agonizing Taft-Hartley curse for another 2 years. This it can do solely because the Dixiecrats and the Republicrats are about to pay their debt to the Republican side of the aisle for having, earlier in the present session of the Congress, supplied the necessary votes to defeat the establishment of majority rule in this great legislative body.

Mr. President, still another role that the Senator from Ohio is playing is that of political physician to both sides of the Senate Chamber. But mark the prediction: He and all those who take his medicine will, immediately after their constituents have had a chance to decide the question of senatorial reelection, sleep in a lonely political graveyard which prudent men will avoid by day and hooting owls will shun by night. At the entrance of that graveyard will be a simple slab of stone, uncut and unadorned, on which both the semblance and the substance of this epitaph will appear:

> Here lies the body of Dr. Sill
> Among his patients on the hill;
> They'll never need another pill
> And never pay his doctor bill.

[Laughter.]

Mr. President, for two long years labor has been crucified by the merciless Taft-Hartley law; and, before the end of the day, the Taft-Hartleyites will add unforgivable insult to unforgettable injury by thrusting a spear into labor's side. For the next 2 years labor will continue to be ground between the upper millstone of Taft-Hartley oppression and the nether millstone of Taft-Hartley destruction of the rights of those who live by toil. But labor alone has in its hands the complete cure for all the Taft-Hartley ills that it has suffered in the past, or will suffer in the days to come. If labor will persistently and industriously continue to increase its political activity and fully live up to the possibilities of its use of the ballot on election day next year, every American laboring man and woman can, on and after the beginning of the Eighty-second Congress on the third day of January, 1951, once more zestfully join in the glad refrain:

> My country, 'tis of thee,
> Sweet land of liberty,
> Of thee I sing.

It is my fervent hope that during the next 2 years of Taft-Hartley tribulation, labor will, with its world-renowned patriotism, patience, and fortitude, be comforted by the recollection that after the wilderness came the promised land; that after the darkest hour of the night comes the splendor of the morning, the glory of the sunrise, and the grandeur of a newborn day; that after the crucifixion of the sinless Saviour, paradise opened wide its portals to all the children of men.

Let all true Democrats who both preach and practice the redemption of their party's platform pledges instead of habitually repudiating them; let all Democrats who, with Thomas Jefferson and Andrew Jackson and Franklin Roosevelt, consider the rights of men superior to the rights of money; let all Democrats who believe that even-handed justice for every working man and woman in the Nation is as indispensable to the safety of the Republic and the prosperity of its people as blood and breath are indispensable to human life—let all these, with augmented zeal and increased determination, diligently address themselves to the vital task of electing a Congress in 1950 that will write on every luminous page of the Democratic platform, "I know that my Redeemer liveth."

Let every progressive Republican in the land devote himself to the great work of replacing the Taft-Hartleyites of the Congress with men and women to whom the sublime governmental principles of Abraham Lincoln are more sacred than the heartless philosophy of the National Association of Manufacturers, the propaganda of the subsidized press, or the temptations of lobbyists who constantly swarm over the country as the locusts swarmed over the land of Egypt in the days of old.

Let all patriots of all parties, of all colors, and of all creeds march to the ballot box in 1950 to the tune of Onward Christian Soldiers, and—

> Vote in the valiant man and free,
> The larger heart, the kindlier hand!
> Vote out the darkness of the land,
> Vote in the Christ that is to be!

And in the dark and weary intervening months between now and the next election day, let all who are of serious

mind, good will, and noble purpose derive both consolation and inspiration from the lofty assurance—

Ye that have faith to look with fearless eyes
Beyond the tragedy of a world at strife,
And know that out of death and night shall rise
The dawn of ampler life.

Rejoice, whatever anguish rend the heart,
That God has given you a priceless dower,
To live in these great times and have your part
In Freedom's crowning hour.

That you may tell your sons who see the light
High in the heavens—their heritage to take—
"I saw the powers of Darkness put to flight,
"I saw the morning break."

Mr. THOMAS of Utah. Mr. President, I yield 5 minutes to the Senator from Minnesota [Mr. HUMPHREY].

Mr. HUMPHREY. Mr. President, I am sure that all of us have been deeply moved by the very challenging and courageous remarks of the distinguished Senator from West Virginia [Mr. NEELY]. I realize that at this time in the debate there is very little new material which can be presented nor is it my intention, nor is it my purpose to try to bring out again the series of arguments which have already been well documented in the RECORD. I do wish to make one or two general observations because I believe that at this moment it is vital that we understand quite clearly the nature of the proposition which is before the Senate.

I have been very much intrigued by the comments, Mr. President, of the distinguished Senator from Ohio. He has pointed out in this very fine pamphlet "The Essential Principles of the Taft-Hartley Law, and Amendments Proposed by the Republican Minority," that 29 changes—29 changes, Mr. President—have been offered in the basic law of the act of 1947 known as the Taft-Hartley Act. And on the basis of those 29 changes, there has been somehow or other a general point of view given to the American people that this is a fair type of labor law. The 29 changes which have been advanced or which have been made are supposed to indicate to the American people that the distinguished Senator from Ohio and his colleagues have modified their point of view.

I am reminded of an old legend which I used in my formal remarks in the early days of the debate. It is a legend which centers somewhere or other in central Europe. The story is a very simple one about the mother and the father who were discussing the case of their little boy. They lived alongside the woods, and the little boy liked to walk through the woods. The little boy loved the animals of the woods. One time, as the little boy was going to go walking into the woods, the father caught hold of him and said to him, "John, the wolf may change his hide, the wolf may change his hair, but the wolf never changes his mind."

Mr. President, there has been a little hair changing in the Taft-Hartley Act. There has been a little bleaching of the fur with cheap peroxide. There have been a few little eyebrows lifted here and there, and I suppose a little grooming of the hide. But the fact remains, as the distinguished Senator from Utah [Mr. THOMAS], chairman of the Labor and Public Welfare Committee, so well pointed out yesterday, that the body of the Taft-Hartley Act is still in the Taft amendment, upon which we shall vote today. No matter how it may be dressed up, no matter how many coats of varnish may be applied to it, no matter how many soft words may be used, let us not forget for a single minute that the injunction is still there. Let us not forget for a single minute that the stability provision is still there. Let us not forget that the prohibition against secondary boycotts is still there. Let us not forget that the basic features of the Taft-Hartley Act still remain.

There are those in this body who believe that the vote will confirm the Taft amendment. Mr. President, I am no sunshine patriot. I am not going to wither away at the first blast of the wintry storm from the right-hand side of the aisle. I personally think that Senators are going to realize that though we took a defeat the other day in connection with title III, the basic part of the law is yet to be voted upon, the part of the law which affects the average man or woman in a trade-union.

I call upon my colleagues who are fundamentally concerned with good, sound labor-management relationships to stand by the Thomas bill and vote down the Taft amendment. I ask them to recognize that there is still hope. This is only one side of the congressional process. The House of Representatives will have its opportunity. The portion of the Thomas bill upon which we are to vote is the heart of it, which affects the great rank and file of American workers. The national-emergency provision upon which we voted is a symbol of great distress. We lost that fight by one vote. I remind distinguished Senators who voted against the Lucas amendment that this is a different day from 2 years ago. There has been a fight on the floor of the Senate this time. It has not been easy going. As the distinguished Senator from West Virginia [Mr. NEELY] pointed out, perhaps another election will make the fight a little more interesting.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a detailed analysis of the similarities between the Taft amendments and the Taft-Hartley law, which will substantiate the remarks made yesterday by the distinguished chairman, the Senator from Utah [Mr. THOMAS]. I ask that this be done not because it will be read before the end of this debate, but because I want it as a part of the formal record of the deliberations and discussions in the Senate.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE TAFT-HARTLEY ACT AND THE TAFT AMENDMENTS

Mr. President, this is a significant occasion. The eyes of the American electorate are upon us. We vote today on an issue which directly affects a majority of the American people. Peaceful labor-management relations are close to the hearts of our citizens.

We vote today, Mr. President, on an issue which affects not only the American people, but the cause of democracy all over the world. The people all over the world, Mr. President, look upon us today and ask whether we are willing to put into practice the democratic principles we profess to pledge. They ask whether it is true indeed that this great cradle of liberalism will remove from its statute books a blight on its record.

The cause of democracy suffered defeat on Tuesday with the enactment of the substitute title III, introduced and sponsored by the Senator from Ohio. Again today we have an opportunity to stand up and be counted on a similar vital and crucial issue.

Our distinguished chairman, the Senator from Utah, yesterday pointed out to this body that the Taft amendment on which we vote today has in it more than 60 of the very same provisions which were included in the Taft-Hartley law, repudiated by the American electorate last November. The Senator from Ohio emphasizes that his present amendment removes 28 provisions from his recommendations of 2 years ago. But, Mr. President, the speech made yesterday by the Senator from Utah demonstrated beyond any doubt not only that the basic philosophy of the new Taft amendment is exactly the same as the basic philosophy of the Taft-Hartley law, but that more than 60 of the exact same provisions of the Taft-Hartley law remain in the new Taft proposals.

Let there be no doubt about it. The American people will not be fooled. The American working men and women will not be fooled. The American labor movement will not be fooled. The American electorate will not be fooled. As much as the Senator from Ohio would like to remove his name from the Taft-Hartley law, forget that sorry incident and escape from the stigma which is now attached to his name in the minds of millions of American men and women, we know, and I repeat for all to hear, that the Taft amendments which we are asked to vote upon today are as obnoxious, as unfortunate, as injurious to the common welfare as the Taft-Hartley law of 2 years ago. The Taft amendment, Mr. President, if adopted, will be a blow to the cause of democracy here and abroad. It will be a blow to the cause of freedom here and abroad. It will demonstrate to the American people, as the junior Senator from Oregon pointed out, that those who champion it continue to possess the philosophy of the Taft-Hartley law. I am confident that the American electorate in 1950 will demonstrate its final and unequivocal repudiation of that illiberal philosophy.

Mr. President, I ask for permission at the conclusion of my remarks, to place as a statement in the RECORD a detailed discussion of the similarities between the Taft amendments and the Taft-Hartley law. They demonstrate and substantiate the remarks made yesterday by our distinguished chairman, Mr. THOMAS.

AN ANALYSIS OF THE TAFT AMENDMENTS

Exclusion of employees

Our national labor policy is supposedly based upon the principle that stable labor-management relations are best achieved through free collective bargaining; that workers can best protect and improve their wages and working conditions through the use of free collective bargaining. Yet the Taft-Hartley Act denies several large groups of employees this protection and the Taft substitute proposes to continue to do so. Supervisors, persons having the status of independent contractors, and employees of Federal Reserve banks and nonprofit hospitals were denied these fundamental rights by the Taft-Hartley Act. The Taft amendments make the minor concession of returning the

employees of Federal Reserve banks and nonprofit hospitals to the protection of the act but leave the other large groups of employees still excluded. This is unfair and illogical. Supervisors and persons with the status of independent contractors should once more receive the protection of our national labor law.

Supervisors

For years prior to the Taft-Hartley Act supervisors had been included in bargaining units in various industries. No one can deny that foremen and supervisors are employees when they are acting to protect their own interests, their wages and working conditions, against the company which hires and compensates them. The Supreme Court of the United States recognized this basic fact when it upheld, under the original Wagner Act, the decision of the National Labor Relations Board in the *Packard Motor Company* case. This decision held that foremen were entitled to the protection of that act for purposes of forming unions and bargaining collectively.

By excluding supervisors from the definition of employee the Taft-Hartley Act effectively removes them from any benefits of the act. The guarantee of section 14 of that act, a provision also retained by the Taft amendment, is thus in actuality but an empty generality. This section provides that nothing in the act prohibits any individual employed as a supervisor from becoming or remaining a member of a labor organization. How can such a provision have any true meaning for supervisors when the National Labor Relations Board is not only without jurisdiction to conduct a representation election for supervisors or to direct employers to bargain with them, but also is unable to protect them if they are discharged for joining a union or to protect them against any other unfair labor practice of an employer? Supervisors are thus thrown back upon the use of economic force, strikes and picketing, to achieve any form of collective bargaining recognition. At the same time the employer can engage in discriminatory discharges, espionage, and blacklisting without fear of Government interference. This means that supervisors are in reality denied any bargaining rights. In the *Packard Motor Co.* case the Supreme Court of the United States described the fallacy of denying supervisors such rights as founded in the misconception that because the employer has the right to wholehearted loyalty in the performance of the contract of employment the employee does not have the right to protect his independent and adverse interest in the terms of the contract itself and the conditions of work. The long history of successful unionization of such employees in the building, printing, and railroad industries demonstrates, Mr. President, how fallacious is this theory that supervisors should not be granted the legal right to organize and bargain collectively.

Independent Contractors

But there is an even larger, yet equally important group to whom the Taft-Hartley Act and the Taft amendment would deny the protection of the right to organize and bargain collectively. These are the individuals who have the status of independent contractors. Who are some of those individuals? Well, it partly depends upon how clever a lawyer a company has. There are lawyers who have figured out ways to put into the independent contractor class one of the most exploited groups in our country—namely, the home workers. What chance does a union have to protect or improve its wages and working conditions if an employer can let out his work to homeworkers having the status of independent contractors who don't have the right to organize and who are completely at the mercy of the employer, particularly in times of considerable unemployment in the industry? This provision in the Taft-Hartley Act provides an enormous loophole which is growing bigger as more lawyers find fairly foolproof ways to turn the employer-employee relationship into that of a relationship between contractor and subcontractor. This trick is being used to exempt other groups—people who sell or deliver newspapers, for example, a group which ordinarily includes a large proportion of boys but which in times of depression attracts many older people. It is a group which is kept wide open for exploitation. This trick is also being used to deprive people of the benefits of the wage-hour law; and it must be stopped.

The realities of present day industrial life are being completely ignored by this provision. It denies the protection of the act to workers who, for purposes of such social legislation, are more nearly employees than independent businessmen. Employers are encouraged to avoid compliance with this type of legislation by exacting contracts from their labor force under which the employer gives up the right to direct the performance of routine duties and the workers lose the benefits of a statute intended for their protection. The Supreme Court of the United States recognized this in the Heart Publications case. The court ignored technical legal classifications for purposes of such a statute and thus held the relationship within the protection of the act.

To deprive these working men and women of the advantages of trade unionism, to return them to face individually and, therefore, helplessly, the problem of protecting and improving their wages and other working standards, is detrimental to the way of life of which this country is so proud. It hurts them, and it hurts trade unionism. As Clarence Darrow once said:

"It would leave the laborer stripped and naked to commence his long and painful journey back to serfdom once again; and when he starts out upon this road, the great mass of men whose independence has been won along with the workman's struggle, the great middle class, must go back with him."

Agency

Now I would like to turn, Mr. President, to another area of the Taft-Hartley Act which is retained in substance by the Taft amendment. This is where the liability of employers and unions for the acts of their agents is established. The Taft-Hartley Act greatly expanded the area in which unions can be held responsible for the acts of their so-called agents. It provided that in determining whether any person is acting as an agent of another so as to make the latter responsible for his acts, the question of whether the specific acts were authorized or subsequently ratified shall not be controlling. The Taft amendment purports to change this provision by deleting the language dealing with authorization or ratification, and substituting a provision which says that in determining whether any person is acting as an agent of another person so as to make such person responsible for his acts the common law rules of agency shall apply. The amendment also adds a provision that no union shall be held responsible for the acts of any member solely on the ground of such membership.

This Taft amendment is in reality, however, nothing more than the Taft-Hartley Act provision on agency, for that act had been interpreted as imposing upon the Board the old common-law rules of agency liability in determining the liability of unions for acts of its so-called agents. This means that all the evils of the agency provision of the Taft-Hartley Act will still be in existence under the proposed Taft amendment. As has been pointed out time and time again, Mr. President, this provision contains one of the most dangerous concepts included in the act. It ignores the fact that spies and provocateurs can be placed in the ranks of unions to stir up trouble. Unions cannot and should not be held responsible for the acts of such people. But in the early 1900's the Federal courts did just that, and it is that condition to which the Taft-Hartley Act returned the unions.

Section 6 of the Norris-LaGuardia Act was designed to remedy this completely unjust situation. That section requires actual authorization or ratification of acts in order to impute liability to the union. But this policy is completely nullified by the agency rule established in the Taft-Hartley Act and carried forward in the proposed Taft amendment. Adoption of such an agency rule for purposes of the entire act means that union responsibility for unauthorized and unratified acts can be determined not only for purposes of unfair labor practice cases but also for purposes of injunction and contempt action, suits for breach of contract, and suits for damages.

While thus reestablishing a discredited doctrine for the purpose of curbing union activity, the Taft-Hartley Act and the proposed Taft amendment, by applying the same definition of agency to employers, limits, rather than extends, employer responsibility for the acts of its agents. This is especially so when we discover that the Taft amendment also retains that provision of the Taft-Hartley Act which struck out of the definition of "employer" used in the original Wagner Act the phrase which included within the term employer "any person acting in the interest of an employer" and inserted in lieu thereof the phrase "any person acting as an agent of an employer directly or indirectly." The apparent purpose of this amendment was to change the rule adopted by the Supreme Court of the United States that an employer is responsible for the acts of his superintendents and foremen, even though he might not be so liable under strict common-law rules of agency. Now, under the Taft-Hartley Act and the Taft substitute, employers can be held liable only by applying common-law rules of agency. This means, in effect, and in this particular provision, that supervisors and foremen are not part of management, are not the agents of management. This, of course, is completely inconsistent with that provision of the Taft-Hartley Act and the Taft substitute, which would exclude supervisors from the protection of the act on the basis of their being part of management. It is also inconsistent with the realities of the situation, because the workers certainly must proceed on the assumption that their foremen and supervisors are agents of management and that they have great power over them. To adequately protect employees in the exercise of their right to form and join unions and bargain collectively, employers must be held responsible for the acts of such foremen and supervisors. Thus, by what the Senator from Ohio called a minor amendment to the Wagner Act, there was wiped out a whole body of law dealing with the liability of unions and employers.

Board operations

Multiplicity of Elections

There is still another major area, Mr. President, in which the Taft amendments retain a substantial part of certain Taft-Hartley features. This is in the provision for various types of elections. The Wagner Act provided for only two kinds of elections: (1) Where a labor organization asked to be certified as the bargaining agent for certain employees, and (2) where an employer petitioned for the determination of conflicting claims to recognition by two or more unions. The Taft-Hartley Act provides for elections in at least nine different situations. The Taft amendments retain five of these. Among the elections which are dropped are those providing for union-shop-authorization elections, a vote on the employers' last

offer in national-emergency disputes, and separate elections for plant guards. The Taft amendments still retain the provisions of the Taft-Hartley Act for—

1. A vote by professional employees on whether they wish to be included within a bargaining unit which represents nonprofessional employees.

2. An election upon petition by employees for decertification of a union.

3. An election upon petition by an employer when he alleges that a union is claiming recognition as collective-bargaining agent of his employees.

4. A vote upon petition by employees in a bargaining unit covered by a union-shop agreement as to whether such union-shop authority shall be rescinded.

5. An election upon petition by a union or other employee representation for certification as statutory bargaining agent.

I trust a majority of my colleagues will agree with me that the Taft substitute still permits too many types of elections which can be used by an antilabor employer to harass a bona fide union.

Board Administrative Procedure

Mr. President, although the Taft amendments drop some of the administrative monstrosities and special administrative procedures which were imposed upon the National Labor Relations Board by the Taft-Hartley Act, the amendments do retain a number of these special administrative provisions. These include prohibiting the Board from establishing a review division, certain provisions applying to the use of trial examiners, prohibition of the employment of economic analysts, the provisions requiring the Board to follow the rules of evidence applicable to the district courts, and the provision requiring the Board's record on review to be supported by substantial evidence. The rules under which all Federal administrative agencies are to operate were incorporated by Congress in the Administrative Procedure Act, adopted in 1946. That act established the rules of fair play under which such administrative agencies are to operate and specified the rules of evidence such agencies are to follow. There is, therefore, no justification for imposing different rules upon a particular agency, such as the National Labor Relations Board. The Taft amendments perpetuate this discrimination against the Board.

Union security

Now let us consider the important question of union security. The Taft-Hartley Act, Mr. President, places obstacle after obstacle in the way of the attainment by unions of that security which is so essential to responsible unionism. It entirely prohibits an agreement between an employer and a union for a closed shop. It further provides that before a union can obtain a union shop it must be authorized to do so by a majority of the employees eligible to vote. Where a union shop is authorized and agreed to by the employer, the Taft-Hartley Act continues to harass the union by interfering with its internal affairs by means of provisions which prevent the union from requiring the discharge of a worker except for failure to pay dues. The law so narrowly limits the relationship between the union and the employee that even with a union shop there is little union security.

The Taft amendments make a few slight concessions with respect to union security. The prohibition of the closed shop is retained. Under the amendments, however, an employer can notify the union of job openings and the union can refer qualified applicants for employment. The discredited union shop authorization election would be eliminated and unions would be permitted to require the discharge of employees for two other reasons—engaging in wildcat strikes and affiliation with the Communist Party. Still retained, however, are the provisions for deauthorization elections and those making State anti-closed-shop or anti-union-security laws paramount to the Federal law. Still retained, also, is a limitation on the power of unions to discharge employees. Why is it assumed that unions are the ones whose power to discharge should be regulated? What about the power of the employer to discharge?

One of the predictions made by opponents of the Taft-Hartley Act at the time of its passage was that the outlawing of the closed shop would disrupt long established and voluntarily maintained union security agreements which have been mutually beneficial to management and labor for many years. This prediction has been borne out in several important industries, particularly the printing industry. The closed shop has been the practice in this industry for almost 100 years. The International Typographical Union had acquired a wide reputation for responsibility. The majority report of the Joint Committee on Labor Management Relations stated: "The International Typographical Union has long enjoyed public confidence by its record of winning gains for its members while maintaining peaceful relations with employers." While I am not in the habit of quoting the Chicago Tribune, I feel compelled to refer, as did my colleague, the junior senator from Illinois, to an editorial which appeared in that paper on November 22, 1947, and which pointed to the peaceful relations which had existed between the newspaper and the typographical union prior to the Taft-Hartley Act. This editorial, in pertinent part, reads as follows:

"In 1852, the Chicago Tribune entered into contractual relationships with the Chicago Typographical Union, No. 16, which has continued until this day, without interruption of so much as an hour. * * *

"We regret that this record, as a matter of great pride to us as well as the union, has now been interrupted. * * *

"When the law was under discussion in Congress, as our readers will recall, we advised against outlawing the closed shop. We did so, among other reasons, because we know that the closed shop worked well in our plant and had worked well for a half century or more.

"Congress did not take our advice. * * *

"The Tribune hopes that the present difficulties will be resolved speedily."

The experience of this union under the Taft-Hartley Act is undoubtedly the outstanding example of the accuracy of the prediction as to the disruptive effects of the Taft-Hartley closed shop prohibition. The Typographical Union has had filed against it 18 charges, 9 complaints, 1 injunction suit, 1 contempt action, and 2 damage suits; has been forced to participate in 8 strikes; and has been compelled to spend more than $11,000,000 to resist the attacks upon its security.

The impact of the Taft-Hartley Act and the Taft amendment on union security is further aggravated by those provisions which permit stricter State laws on union security to prevail over the Federal statute. These provisions result in subjecting employers and unions in interstate industries to conflicting rules regarding these matters in the various States where they operate. These provisions create a multiplicity of standards applicable to these employers and unions which certainly do not promote stability in labor relations. If we are to have a labor policy which is national in scope, rather than 48 different labor policies, it behooves us to supplant any State laws which seek to regulate or prohibit union security agreements in interstate industries in a manner inconsistent with whatever policy we may establish. Either Congress establishes a uniform Federal policy in this admittedly Federal field or we should leave the entire matter of labor legislation to the States.

The prohibition of the closed shop and other restrictions on union security have been defended as a protection of the rights of individual employees. Of course, a good deal of this solicitude for the individual worker comes from the same persons who opposed the Fair Labor Standards Act and who are now resisting any effort to increase the minimum wage above 40 cents an hour although raising this minimum wage would assist those same individual workers.

I doubt that American workers are fooled by the claims of proponents of the Taft-Hartley Act that it seeks to protect their individual right to work. My predecessor in this body, former Senator Ball, was one of the leading champions of the right to work principle. On May 12, 1947, in the course of debate on behalf of provisions of the Taft-Hartley Act designed to eliminate union security, he stated:

"Mr. President, I think that that is the real Magna Carta for the American working men and women. I object to the whole basis of compulsory membership but I think the bill is largely going to eliminate compulsory membership unless the union leadership is so good that a majority of all the employees want it and will get out and vote for it in a secret election. Obviously the union leaders—and I heard one of them the other night make his major argument against this provision—are quite sure that a majority of the employees are not going to want it, and I agree with them. So this provision, in my opinion, is far more the Magna Carta of American working men and women than is the present so-called Wagner Act."

The statistics of the National Labor Relations Board, Mr. President, demonstrate that Senator Ball was never more wrong than when he made the above statement. These statistics show that in the secret elections referred to by Senator Ball, unions won 98.2 percent of the elections and 84 percent of the eligible voters voted in favor of the union shop permitted by the act. This would seem to indicate that practically all employees want the compulsory union membership to which he had such violent objection.

Coercion by Unions

Mr. President, the Taft amendment would drop the Taft-Hartley Act provision inserted in section 7 which guaranteed to individual employees the right to refrain from joining a union. This guarantee was implemented by the provision in section 8 (b) of the act which prohibits unions from restraining and coercing employees in the exercise of the rights guaranteed by section 7. But what the Taft amendment takes out from one section it reinserts in another section. Thus, section 8 (b) (1) would be changed to prohibit a union from coercing individual employees in the exercise of their right to work.

Such provisions were inserted into the act with the excuse that they protect the rights of individual employees. Proponents of such provisions have always argued that if employees are to be protected against coercion by employers, they must also be protected against coercion by unions. They argue that since employers must be prohibited from activities which might influence their employees one way or another in deciding whether or not to form or join a union, unions should also be prohibited from such activities. The mere statement of the proposition demonstrates its falsity. As the Senate Committee on Education and Labor stated 13 years ago, in 1935, when reporting on the original Wagner Act, and I quote: "To say that employees and labor organizations should be no more active than employers in the organization of employees is untenable; this would defeat the very objects of the bill."

These words are as true today as when they were spoken. Insertion into an act of provisions guaranteeing the right to refrain

from joining unions and prohibiting unions from coercing employees in the exercise of such rights, is at cross purposes with a statute designed to facilitate the formations of unions and to promote free collective bargaining. The two are completely inconsistent. Long ago the Congress determined, and the Taft-Hartley Act reaffirmed, that collective bargaining is necessary to stabilize labor-management relations and to fix fair standards of working conditions. Employees and unions must necessarily take positive action to achieve such collective bargaining. But employers must be prohibited from any activities which might possibly interfere with their employees' decisions concerning unions. The Taft amendment, by prohibiting unions from coercing individual employees in the exercise of their right to work, is as inconsistent as the Taft-Hartley Act. For all practical purposes the effect on legitimate union activities is the same. If the proponents of this provision intend no more than to prohibit acts of force, violence, or intimidation, as they have usually stated, the processes of local police courts are more appropriate and immediate than remote Federal surveillance and the inherent delays of Board proceedings.

Interference with collective bargaining

Still other provisions of the Taft-Hartley Act which would be retained by the Senator from Ohio interfere with free collective-bargaining relationships. Thus, the act dictates to private parties what they can and cannot put into collective-bargaining agreements on such matters as the check-off, and health and welfare plans.

Check-off

The Taft-Hartley Act prohibits the check-off of union membership dues unless each individual employee files with the employer written authorization to him to do so. The Taft amendment makes this provision even more restrictive by expressly providing that the employer may not check-off union fines, assessments, penalties, or other payments. Membership dues and initiation fees could be checked off but only on written authorization of the employee revocable from year to year.

There is no valid excuse for so restricting what was before the Taft-Hartley Act treated by employers and unions as an appropriate subject of voluntary agreement. The check-off has long been used by management and the Government to collect various obligations from workers such as group insurance, company store bills, taxes, and similar items. When the Taft-Hartley Act was being considered, not a single employer testified that the automatic check-off of union dues created a condition requiring Federal action. The requirement of individual authorization for deduction of union membership payments ignores the fact that when employees form a union they do so in order to have it speak for them in dealing with their employer. They authorize this union to represent them. A union could not carry on its essential functions if each individual employee were required to authorize individually each and every action of a union.

Health and Welfare Plans

In the field of health and welfare plans the Taft amendment continues the interference of the Taft-Hartley Act with another appropriate subject of collective bargaining. The Taft-Hartley Act provides criminal penalties if an employer pays money to employee representatives in connection with a trust fund established under a collective bargaining agreement, for the benefit of employees and their families unless the fund is for the purpose and is to be administered in the manner prescribed in the act.

For all practical purposes, the Taft amendment continues these restrictions on health and welfare funds. It makes only two changes: (1) an employer would be permitted to waive the Taft-Hartley requirement for joint representation in the administration of any such fund; and (2) the Secretary of Labor would be required to examine the agreement establishing the fund and to certify that it meets the detailed requirements of the act.

There is no more reason today for imposing such restrictions upon the parties in bargaining out the terms of health and welfare plans than there was when the Taft-Hartley Act was first enacted. As the opponents of that act pointed out, honest appraisal of the record of the administration of health and welfare plans negotiated by unions and employers prior to the act demonstrated that there were no abuses in this field which warranted the Government in thus interfering with the processes of collective bargaining. No evidence has ever been presented that either union administration or the form of the plans was bad. All evidence indicated that union health and welfare plans had been administered competently and honestly. There can be no possible justification for the Government imposing such a restriction on private bargaining rights on the theory that abuses might occur in the future.

It is indefensible, too, for the Government to discourage bargaining in a field in which the parties can contribute so significantly to the welfare not only of employees but of the country as a whole. Welfare plans constitute an important supplement to the Government's admittedly inadequate old-age security programs. Instead of making it difficult for employers and unions to incorporate such plans in their collective-bargaining agreements, it would appear obvious that the Government should do everything possible to encourage them in this endeavor. Removal of restrictions placed around bargaining for such plans is an important first step which the Government should take in the direction of encouraging the development of such plans by private parties. I am sure that my employer friends would be the first to insist that the Government should not prescribe what should go into private contracts. Let us then determine the honesty of their convictions by omitting from our labor relations law any dictation by the Government of the terms of collective-bargaining contracts.

Mutuality of Bargaining

Mr. President, one of the accomplishments which the able Senator from Ohio claims for the Taft-Hartley Act, and for which he would continue to claim credit if his substitute amendment is adopted, is the provision requiring unions as well as employers to bargain collectively. I think we can all agree with the distinguished Senator, Mr. President, that is a good thing that both employers and union should bargain collectively. We ought to bear in mind, however, just what it is we are agreeing to when we say that.

It seems to me perfectly clear, Mr. President, that the Senator from Ohio means one thing when he talks about the obligation of unions to bargain collectively, while we, Mr. President, mean something quite different. I do not propose to undertake to explain the purpose of the amendment offered by my distinguished colleague on the Committee on Labor and Public Welfare, the able Senator from Alabama, in the sponsorship of which I have joined with him and with six other Senators on both sides of the aisle on a bipartisan basis. That will, I am sure, be done by the Senator from Alabama when we discuss the specific terms of his amendment. What I want to talk about is the kind of provision on collective bargaining supported by the Senator from Ohio. It is the kind of provision, I think, Mr. President, we don't want in our Federal labor relations law.

The Taft-Hartley Act contains not only a provision requiring unions to bargain collectively with employers but also a detailed definition of what constitutes collective bargaining for purposes of the act. Particular attention should be paid, Mr. President, to this definition. It consists mainly of a number of procedural requirements including, (1) 60-day written notice to the other party of proposed termination or modification of agreements, (2) an offer to confer for the purpose of negotiating a new contract, (3) 30-day notification to the Federal Mediation and Conciliation Service, and (4) meetings and conferences between the parties. The act imposes on any employee who engages in a strike within the 60-day period the penalty of loss of his status as an employee for the purposes of sections 8, 9, 10 unless and until he is reemployed by the employer. Apparently the Senator from Ohio has recognized the unfairness of this penalty for he has dropped it out of his substitute amendment .

Now there are two things to be noted about these requirements, Mr. President. The first is that they lay down rigid procedures which parties must observe on pain of running afoul of stiff penalties provided in the act. It is my belief, Mr. President, that it is a mistake to put collective bargaining in a straitjacket by laying down hard and fast rules as to the steps the parties must take or the steps the parties should not take.

The second thing we ought to bear in mind, Mr. President, is that labor unions have been formed primarily to secure, through collective bargaining the improvement and protection of working standards for employees. If we are interested in the welfare of the great mass of our people, we should not—we must not—handicap by arbitrary rules the efforts of unions to carry out this purpose.

Mr. President, I believe the attention of the Senate should be called to a section of the report filed by members of the Joint Committee on Labor-Management Relations pursuant to Senate Concurrent Resolution 10, of which I was one of the signers, in which the short-sightedness of these provisions to which I have referred and their harmful effects are made clear. We said there, and I quote:

"We share the concern of the Ball committee over the confusion created by the legalistic and complicated provisions of section 8 (d). We further find that it operates unfairly against union members. * * *

"We find highly significant the trend noted by the Ball committee, toward short-term contracts and toward contracts having no termination date, 'the stated reason being the questionable nature of the right to strike during a contract term' (p. 3). This experience typifies the confusion and insecurity engendered by the act, and its adverse effect upon collective bargaining.

* * * * *

"As a result of the inequality of treatment under this section, taken together with section 8 (b) (2) under which wildcat strikers cannot be disciplined by the union, and section 301, which provides that unions may be sued for breach of contract, unions have been reluctant to negotiate no-strike clauses in their contracts. Such clauses, if they are voluntarily agreed to by the parties, are conducive to good labor relations. Immediately after passage of the act, the office of the general counsel of the American Federation of Labor recommended, in a bulletin to all locals, that unions refrain from agreeing to no-strike clauses in agreements. The general counsel said:

"'We give this advice reluctantly, but the restriction placed upon labor organizations under the new law leaves us no alternative.' (American Federation of Labor, bulletin No. 1, explaining the Taft-Hartley Act, p. 5.)

"In testimony before the Senate Labor Committee, Nathan P. Feinsinger, professor

of law at the University of Wisconsin, and widely known mediator, testified that 'the no-strike clause has lost its moral effect and has become a trading point.' (Senate hearings on S. 249, p. 2571.)

"We note that the peculiarly discriminatory disqualification of workers who go on strike in violation of this provision has been abandoned by certain sponsors of the act, and that it has been omitted from the amendments to S. 249 offered by the authors of the minority report thereon (minority views, p. 27).

"We believe, however, that even with this concession the existing provision is overcomplex, and that the 60-day notice period is unduly long."

Secondary boycotts

Turning now to one of the most important aspects of the problem before us, I should like to emphasize, Mr. President, that the Taft-Hartley Act sweepingly prohibits all forms of secondary boycotts without attempting to distinguish between those which are justifiable and those which are not. In addition to this indiscriminate prohibition, the act further provides for triple penalties against those unions which engage in such forms of union activity. What are these three penalties? (1) The union is subject to a broad cease and desist order; (2) the union is subject to a court injunction pending the board's final adjudication of the cases, and application to the courts for a temporary restraining order or injunction is mandatory on the board; and (3) the union is subject to damage suits by any person suffering injury in his person or property. The Taft amendment retains all of the Taft-Hartley Act's prohibitions on secondary boycotts with two exceptions: (1) a secondary boycott is permitted against work transferred from a struck plant, and (2) the provision for the mandatory injunction is eliminated, but injunctions at the discretion of the board are continued.

Mr. President, as of February 1, 1949, injunctions had been sought in 33 cases involving the secondary-boycott provisions of the Taft-Hartley Act. This is but a small percentage, however, of the number of cases in which secondary-boycott charges have been made and in which the possibility of the issuance of an injunction has hung over legitimate union activity.

One of the few secondary-boycott cases which has finally been decided by the Board illustrates the evils of the secondary-boycott provisions of the Taft-Hartley Act. I refer to the Wadsworth Building Co. case. In this case a building contractor used the products of a manufacturer of prefabricated houses who refused to deal with the carpenters' union. The carpenters picketed the contractor and placed his name on an unfair list. In addition, as a result of the activities of the union one union carpenter left the employment of the contractor.

A year before the Board took action on this case the activities complained of had been enjoined. The decision of the Board, and the injunction which was issued in anticipation of it, state in effect that an employer who cooperates with another to undermine conditions of employment established by collective bargaining is immune from peaceful economic pressure of a union. The action of the Board and the court in this case means that even a so-called product boycott is outlawed by the act. For what was here involved was a refusal by workers to handle a product which had been fabricated under unfair conditions. The decision of the Board announced that the right of peaceful picketing in furtherance of a secondary boycott is not protected by the right of free speech contained in the Taft-Hartley Act. Under this decision, a request in writing by a union urging others not to patronize an unfair employer is not permitted as a form of free speech. The decision holds that an effort to induce a single employee to leave an establishment is illegal as a form of concerted activities. Finally, this decision involves the application of the Federal legislative power to a local construction project.

The secondary-boycott provisions of the Taft-Hartley Act, Mr. President, have given rise to the unique situation of the Board applying a test to determine its jurisdiction in secondary boycott cases which differs from that applied in other types of cases. In a recent case the Board declined jurisdiction over a plastering contractor who had been charged with an unfair labor practice on the ground that his activities were essentially local and had only a remote and unsubstantial effect on interstate commerce. The Chairman of the Board stated, however, that if the same case had involved a secondary boycott the Board could not have exercised similar discretion to decline jurisdiction. As stated by another member of the Board, who disagreed with the Chairman: "If the employer commits an unfair labor practice the employees are left without redress; whereas, if the union violates section 8 (b) (4) (A), the employer is afforded plenary relief." While the Chairman said he reached the conclusion he did reluctantly, he had no choice under the provisions of the Taft-Hartley Act. The modifications of the secondary-boycott provisions proposed by the Taft amendments do not, Mr. President, cure this situation at all.

The secondary boycott provisions of the Taft-Hartley Act, Mr. President, have been used to restrain unions from activities which have long been recognized as justifiable in order to preserve their own existence and the gains made by collective bargaining. Activities such as enlisting the aid of other unions in disputes with employers; efforts to induce employers to cease doing business with other employers who pay wages lower than those established in collective-bargaining agreements; and even the rendering of assistance to fellow members of an affiliated union.

It is recognized, Mr. President, that there are certain secondary boycotts which are unjustifiable because they prevent or interfere with free collective bargaining. Employers and the public should be protected against these types of activities. The Thomas bill, accordingly, makes it an unfair labor practice for a union to cause or attempt to cause employees to engage in a secondary boycott or a strike:

(1) To compel an employer to bargain with one union:

(a) If another has been certified by the Board, or

(b) If the employer is required by an order of the Board to bargain with another union, or

(c) If the employer has a contract with another union and a question of representation cannot appropriately be raised under the act; or

(2) To compel an employer to assign particular work tasks contrary to an award issued by the Board under that section of the bill relating to the determination of jurisdictional disputes.

You will note, Mr. President, that the Thomas bill avoids the use of the blanket prohibition of all types of secondary boycott such as is contained in the Taft-Hartley Act and which would be retained under the Taft amendments. The Thomas bill properly defines the types and purposes of those strikes and boycotts that are to be prohibited.

Jurisdictional Disputes

A union activity, Mr. President, which is recognized by all to present a real problem is the jurisdictional dispute. The Taft-Hartley Act, however, in prohibiting this type of activity is not limited to disputes between unions, but enlarges the traditional concept of jurisdictional disputes by including the assignment of work tasks to particular trades, crafts or classes. The Taft-Hartley Act thus makes it virtually impossible for a union to protect itself from employer attempts to undermine it by assigning work tasks to unorganized employees. The Taft-Hartley Act further empowers the Board to hear and determine disputes giving rise to jurisdictional strikes or boycotts. The testimony of the Chairman of the Board, however, indicates that there has been little use of this procedure because of the delays involved. He stated also that there is some doubt among the Board's lawyers as to its legality because of the failure of the act to provide any standards for the determination of such disputes.

The committee bill, Mr. President, achieves the objective recommended by the President in this state of the Union message in that it provides machinery for the final and peaceful settlement of jurisdictional disputes and prohibits strikes and boycotts in furtherance of such disputes. The bill, however, limits its coverage in this respect to genuine jurisdictional disputes; namely, those over work tasks between two or more unions. The Board is given jurisdiction over a jurisdictional dispute when it results in or threatens to result in a strike or boycott and when it affects commerce. The Board must afford the unions a reasonable opportunity to settle the dispute themselves. If the dispute is not so settled, the Board may either hear and determine the dispute itself and issue an award, or it may appoint an arbitrator to do so. Certain statutory guides which the Board or arbitrator must follow in making the award are set out in the bill.

The procedure set out in the Thomas bill has been described by the Chairman of the Board as offering advantages not only to employers and unions, but also to the public and the Government. These advantages may best be described in Mr. Herzog's own words, as stated before our committee (pt. 1, p. 123):

"The most important single feature is probably the procedure for settling jurisdictional disputes. That procedure offers the following advantages to employers, unions, the public, and the Government:

"(1) The proceeding can be instituted at a stage when the strike or boycott is merely threatened, but has not yet materialized. (See the proposed sec. 9 (d).) Strife may thus be prevented at an early and critical period. (2) Any party interested in the dispute may resort to the Board for settlement. This opens up an avenue of peaceful solution not only for the aggrieved labor organization but for the employer, who may well be the innocent victim of an interunion feud. (3) The parties are afforded a reasonable time to resolve the dispute themselves, even after the proceeding has been instituted. At this point, voluntary settlement, rather than Government-imposed determination, would probably be the choice of many disputants. The Board would, of course, welcome such solution, just as it welcomes consent agreements in its other proceedings. (4) The mere availability of the procedure may often be sufficient to achieve industrial peace in this field without the intervention of Government.

"Three other aspects of the settlement procedure are of particular interest to the Board, in that each would tend to lighten the Board's burden in this new and difficult field of governmental operation:

"I might add that these are features which are not present, as we read them, in the present statute.

"First, the Board would have discretion to determine whether or not the dispute should be arbitrated. This would seem to be particularly valuable if it should develop, at any stage of the proceeding, that the dispute is truly a representation controversy. Upon such discovery, the Board would discontinue the arbitration proceeding and treat the case as if it had been instituted by a petition for certification under section 9

(c)—that is, determine a bargaining unit and proceed to an election if appropriate.

"That is the last sentence of section 9 (d) of the Thomas bill appearing on page 9, lines 3 through 7, if the committee cares to look at it.

"Second, unlike the LMRA, this section provides standards to guide the Board or the arbitrator in making a determination. While the same criteria that serve as the starting point in arbitration proceedings by parent federations are made available as standards, other specific guides may also be followed if necessary. Those standards are also set forth in section 9 (d), as I read it, and they run from page 8, line 10 through line 20, of the substituted Thomas bill (S. 249).

"Third, * * * we note that this bill does permit the Board to designate arbitrators, skilled in the field of jurisdictional disputes, rather than attempt to handle these matters directly itself."

The senior Senator from Ohio has seen fit to include these procedures in his amendment. His amendment, however, continues the Taft-Hartley injustice of enlarging the description of jurisdictional disputes to include the assignment of work tasks to particular trades, crafts, or classes.

Injunctions

No subject, Mr. President, is more important in this discussion than the problem of the labor injunction. It was thought, of course, that the Norris-LaGuardia Act of 1942 had effectively laid to rest the use of injunctions in labor disputes. After years of judicial oppression, labor heaved a sigh of relief because this act created what one spokesman (the late AFL counsel, Joseph Padway) described as a "protective shield against invasion of rights that always belonged to labor." In 1947, however, the direction of our labor policy was reversed by the Taft-Hartley Act and the use of Federal injunctions in labor disputes was resurrected and made an even more oppressive weapon by requiring the Government to act as the agent of employers in seeking preliminary injunctions against unions.

The injunction provision in the Taft-Hartley Act which is most one-sided and destructive to legitimate union objectives is that which requires the Board to proceed against the union in every case involving secondary boycotts and jurisdictional disputes. I am glad to say that the senior Senator from Ohio early during the committee hearings on S. 249, recognized the unfairness of this mandatory provision and conceded that it should be eliminated from the new labor bill. The Taft amendment accordingly has eliminated this requirement. The present provision, although removed from the field of controversy, demonstrates the punitive character of the Taft-Hartley Act, so much of which would be retained by the Taft amendment.

The Taft amendment, however, would retain the use of injunctions, at the discretion of the Board and notwithstanding the provision of the Norris-LaGuardia Act, in the case of any unfair labor practice. Such injunctions would be available against employers as well as unions. If the experience under the similar provision of the Taft-Hartley Act is a criterion, however, we may expect that such injunctions will be sought more frequently in the case of union unfair practices. Under the provision of the Taft-Hartley Act giving the Board discretion in seeking injunctions only two cases were brought against employers as compared to six against unions.

The fact that these injunctions may be sought in the case of employer unfair practices as well as union unfair practices is pointed to by proponents of the Taft amendment as evidence of an intention to treat employers and unions alike. I am not impressed by this fact, however, since the use of injunctions in labor disputes is inherently one-sided. They are much more effective against unions than employers since the effectiveness of the economic weapons of unions, more so than those of employers, depends upon their use at strategic moments. I am opposed to the Board, or any Board agent, having the power to tip the scales in favor of employers by exercising the discretion to seek an injunction as authorized by the Taft amendment.

Preliminary injunctions, Mr. President, under the Taft amendment, are issued after a summary proceeding which is in no sense a determination of the merits of the case. When you realize that the seeking of an injunction in a labor dispute is not the traditional one of maintaining the status quo, but is used to upset the existing situation by stopping the picketing, striking, or boycotting and returning the parties to the working relationship which provoked the labor dispute you will agree that this summary nature of injunction proceedings is particularly objectionable. In theory injunctions are for the purpose of affording temporary relief pending the adjudication of the case by the Board. In reality, in most cases they effectively and finally determine the outcome of the dispute. The lapse of time between the issuance of an injunction and a final adjudication by the Board of the merits of the case does irreparable damage to a union. If, after a complete hearing of all the facts in the case, the Board determines that no unfair practice has been committed by the union, there is no possible way to undo the damage done to the union by the court's restraint of the picketing, strike, or boycott.

The seeking of the injunction provided by the Taft amendment, as I stated before, is not mandatory but it is left to the discretion of the Board. What has been our experience with the so-called permissive injunction provided by the Taft-Hartley Act? Under that act, Mr. President, authority to seek such injunctions is delegated to the general counsel. Soon after the act became law the general counsel announced that he considered this authority to be a very sacred trust to be used sparingly and only "where either a large segment of the public welfare is in danger or where life and property are seriously and in reality threatened or where there is a principle involved that will result in substantial and widespread irreparable damage or injury of more than a merely private nature." These are very high-sounding words, Mr. President, but let us consider some of the pressing issues which led the general counsel to use this sacred trust. One case involved the retail meat departments of 11 A & P stores out of the 5,000 stores which comprise the national chain. The sacred trust was resorted to in the ITU case on the ground that "there would be paralysis in the newspaper industry," although newspapers printed by substitute methods had continued to reach readers in the Chicago area despite a strike that had been in progress for over a year. In another case there were involved the operators of an independent motor carrier doing a small volume of interstate work, and in a companion case there had been a temporary cessation of deliveries to the shipping dock of one store of the large Montgomery Ward chain. Did any of these cases involve danger to "a large segment of the public welfare," or "substantial and widespread irreparable damage or injury of more than a merely private nature"? I say, Mr. President, that the injunction is too powerful a weapon to be used in the indiscriminate fashion in which it was used in the above cases, and I am opposed to placing this discretionary power in any administrative agency in this field even if it should be regarded as a sacred trust. We have therefore eliminated these provisions in the Thomas bill.

Damage Suits

You will recall, Mr. President, while I was discussing the Taft-Hartley Act's indiscriminate prohibition of secondary boycotts, I pointed out that one of the penalties was that of subjecting unions to suits in Federal courts for damages sustained by any person because of such union activities. The act also provides that unions may sue and be sued in Federal courts for damages for breach of contract. In both instances these suits may be brought without regard to the amount in controversy or to the citizenship of the parties.

Doubts have been expressed by some of the lawyers who appeared before the committee as to the constitutionality of making a breach of a labor agreement subject to suit in Federal courts regardless of the amount involved or the diversity of citizenship of the parties involved. Not being a lawyer, I will not attempt to discuss this phase. There are, moreover, sufficient other reasons to object to these provisions. As Mr. William H. Davis said with respect to them in his testimony before the committee, and I quote:

"I do not know whether it is unconstitutional or not. I think it is wholly unnecessary and I am against it. I think it is unconstitutional. I am sure it is un-American, and it is unnecessary, and altogether, in my opinion, in a vengeful spirit."

Everybody seems to agree that the purpose of labor relations legislation should be the encouragement of collective bargaining. All agree on the desirability and necessity of promoting industrial peace. It seems to me, Mr. President, that these objectives require a close and friendly relationship between labor and management and a willingness on the part of both to make concessions in order to reach a meeting of the minds. I can think of nothing which would tend more to discourage this relationship than for the parties to become antagonists in a court. I can think of no provision which has less place in a labor relations statute than one which facilitates and encourages labor and management to look to the courts to settle their grievances.

Sound labor relations are basically sound human relations between employers and employees. Agreements between them are fundamentally based on good faith. This has been well stated by an authority in this field, Archibald Cox, of Harvard Law School, and I should like to quote him. He said:

"It would be unfortunate if there should develop any strong tendency to look to the Federal courts to settle questions concerning the interpretation and application of collective-bargaining agreements. A collective agreement is most workable when it is treated as a constitutional instrument or basic statute charging an administrative authority with the day-to-day application of general aims. The determination of disputes arising during this process is more a matter of creating new law than of construing the provisions of a tightly drawn document. Few judges are equipped for this task by experience or insight; in addition, they would be hampered by the restrictions and delays of legal doctrine and court procedure. Wider voluntary use of arbitration offers a more promising method of settling such disputes." (Cox, Some Aspects of the Labor-Management Relations Act, 1947; 51 Harv. L. Rev. 1,274, 305.)

The committee bill, Mr. President, contains no similar provision. It proceeds on the basis suggested by Mr. Cox, namely, to encourage the parties to resort to peaceful negotiations and arbitration to settle disputes. The Taft amendments, on the other hand, retain these punitive provisions but would place them in title I as a part of the National Labor Relations Act, a particularly incongruous place for them in view of the policy expressed in its first section of that law of encouraging the practice and procedure of collective bargaining.

Conciliation Service

The conciliation or mediation services of the Government, Mr. President, raise another point of issue under the Taft-Hartley Act. Until 1947 these services were in the Department of Labor. They had been there for 30 to 40 years. So far as I have been able to ascertain from sifting the recent testimony before the Senate Committee on Labor and Public Welfare, this service had functioned effectively in the Department of Labor during this entire period.

As all of us know, however, the Conciliation Service was nevertheless wiped out by the Taft-Hartley Act and re-created as an independent agency of the Government. This was done then, presumably, because some employers and some of my distinguished colleagues considered the Conciliation Service a partial agency of Government—partial toward labor because the Service was in the Department of Labor, and responsible to a Cabinet officer, the Secretary of Labor. Yet to my knowledge there was no reliable evidence—no concrete facts, no history of abuse or mismanagement—to support this legislative action.

Now, after 2 years of independent operation of the Mediation Service, the Commission on Organization of the Executive Branch of the Government, the so-called Hoover Commission, has, after prolonged and detailed study, established with the greatest good sense a fundamental principle that independent agencies of the Government should be sheltered within major executive departments, reporting to the President through the appropriate Cabinet officer.

In spite of this sound recommendation, some distinguished Members of the Senate continue to advocate the independence of conciliation services. Among these distinguished Senators is the able Senator from Oregon [Mr. MORSE]. During debate the other day, he said independence was required because some employers still felt that these services would be partial if performed through the Department of Labor. He emphasized, however, his conviction that none of the officials of the Department of Labor is partial, and, if I interpret his remarks correctly, that they are, on the contrary, impartial public servants of highest competence. At the same time he has called for proof that the present independent service has been anything but impartial in any of its operations.

It appears to me that the able Senator from Oregon has overlooked the real point in issue here. This point is that the United States Conciliation Service was abolished as an arm of the Department of Labor without any proof whatever of partiality. It was given an independent status in complete disregard for established principles of Government administration. It seems to me that the issue is not one of partiality at any stage but solely an issue of sound administration.

The Thomas bill would reestablish the Conciliation Service in the Department of Labor squarely upon the grounds of governmental efficiency, because no matter where the Conciliation Service functions it must be impartial to be successful. We make no more contention of partiality on the part of the present independent agency than does the Senator from Oregon with respect to the Department of Labor. We are, however, directly and seriously concerned on the merits with the question of enabling the executive branch of our Government to function in the best possible manner in the public interest. It is an obvious principle of organization, Mr. President, that functions must be grouped under responsible leaders who in turn are directly responsible to the Chief Executive. If we scatter and divide these functions and create many leaders, we will, and in many cases already have, placed impossible burdens of direction, coordination, and guidance upon the President.

Within a Federal Department, just as within the executive branch as a whole, it is essential that the principles of good administration be observed. Returning the Conciliation Service to the Department of Labor will enable it to function more effectively because it will be once again closely working with other Federal labor bureaus.

Let me illustrate: Last fall we had a maritime strike in which one of the chief obstacles to peaceful settlement was a question of so-called clock overtime under the Fair Labor Standards Act, administered in the Department of Labor. The Director of Mediation and Conciliation asked the Secretary of Labor to arrange for such assurances to the parties as would effectively settle this issue. These assurances were given and as a result the strike was settled. The Secretary of Labor is not responsible to the Director of Mediation and Conciliation and the Director is not responsible to the Secretary. Here was an important wage issue in the labor field in which two independent agencies of the Government were involved, and yet neither could command the cooperation of the other. A smaller man than the present Secretary of Labor might well have said to the Director: "It is your responsibility, not mine, to settle these labor disputes under the present law. That is your problem, not mine. I'm sorry, but you'll have to take this matter to the President." If such a course of action were pursued, and it might well have been, the President himself would have been forced to enter and settle the dispute.

Our objective, Mr. President, however, is to prevent such situations from arising in our Government to the embarrassment of officials and to the detriment of the public interest. It is our sincere desire to improve the services of Government through proper organization. The Conciliation Service needs, and utilized while it was in the Department of Labor, the various services and facilities which the Department of Labor possesses in the field of Government labor functions. These include, to cite some examples, information and assistance on labor laws, statistical research, employment, and apprenticeship problems, and the employment of women. These services become immediately available for the prevention or settlement of disputes when the Conciliation Service is in the Department of Labor. Where the dispute is to be settled by an independent agency, however, all of these services are available at sufferance.

There has been a lot of talk, Mr. President, about what employers think concerning the impartiality of the Department of Labor. This is presented as a crux of the argument by the able Senator from Oregon. He has expressed the opinion that there is something special about conciliation which requires primary consideration to be given not to the true facts of the situation but to the misconception of some groups. I submit, Mr. President, with all due respect for the Senator from Oregon, that misconceptions provide an unsound basis for legislation. I am sure, and I believe that the facts will bear me out, that some employers think that the Wage and Hour Division and the Bureau of Labor Statistics should not be in the Department of Labor, because these employers regard the Department of Labor as a partial agency. It may be that some of the Senators equally believe that because these agencies serve or affect employers, every step should be taken to allay the fears of these employers by creating additional independent agencies. I do not, and I am confident that a majority of the Senators do not, share this view. It was, however, this very philosophy, this extreme and untoward deference to the thoughts of employers, which caused the Eightieth Congress to strip the Department of Labor of its functions and its funds.

I know that the Senator from Oregon is sincere when he says on this floor that he is a friend of the Department of Labor and wishes to see its functions rebuilt. He says, however, that this should not be done through reestablishing the Conciliation Service in the Department of Labor. There are other Senators, perhaps, who, when the issue arises, may take a similar stand with respect to other functions sought to be more effectively discharged through the Department of Labor. If we take counsel of such reservations, Mr. President, solely upon the basis of what employers may think, I very much fear that the public interest alone will suffer.

For these sound reasons, Mr. President, I am convinced as to the merits for the need of carrying out the specific provisions of the Democratic platform by restoring the Conciliation Service to the Department of Labor.

National Emergencies

The provisions of the Taft-Hartley Act, dealing with disputes which imperil the national health and safety, are concerned, Mr. President, with the most difficult problem we have to cope with in the field of labor relations legislation. How are we to protect our people from real calamities seriously endangering their health and safety and at the same time defend this basic democratic freedom of workers, unions, and employers? This is the question we have to face up to, Mr. President, in this field.

The American people were led to believe that the procedures provided in the Taft-Hartley Act for handling such disputes would protect them when their health or safety was endangered. The facts do not bear this out. In four of the six cases in which their procedures were used—atomic energy, longshore (east coast), longshore (west coast), and maritime (east coast)—they failed to ward off strikes and it was only as a result of collective bargaining, aided by Government conciliation, rather than compulsion, that settlements were reached.

At the same time, the democratic freedom of workers and unions have been jeopardized by the injunctions they have had issued against them. I know these injunctions were temporary, Mr. President. The important thing is, however, that they resulted in Government compulsion against the workers and against the union. We must find something better than Taft-Hartley injunction to use in case of real national emergency.

It is clear that the Taft amendment dealing with so-called national emergency disputes retains substantially all of the bad features of the Taft-Hartley Act. What changes in that act does it make? The basic framework is retained, but emergency boards appointed by the President to investigate the facts in such disputes would be allowed to make recommendations, the 80-day waiting period enforced by injunction would be reduced to 60 days, the provision for employee vote on the employers' last offer would be eliminated and court-ordered seizure would be added to the injunction as a sanction to enforce the 60-day waiting period. Now these are important concessions, Mr. President. The Senator from Ohio is proposing substantial changes in his act. Nevertheless, the basic framework remains the same—complicated procedure, emphasis on Government compulsion to force settlements rather than agreements reached through collective bargaining, and the coercive power of the Government directed mainly against unions.

It has been demonstrated conclusively, Mr. President, that such procedures cannot achieve their objective. The use of injunctions to secure cooling-off periods merely inflame a dispute instead of promoting its settlement. The union and the employees feel that the powers of the Government are being used to break their strike and that the

Government is siding with the employer. Experience also demonstrates that an injunction merely tends to delay, rather than facilitate, settlement of the dispute. As the Conciliation Service reported, the parties who are subjected to an injunction lose their sense of urgency and tend to relax their efforts to reach a settlement. They wait for the next deadline date, the discharge of the injunction, to spur them to renewed efforts. In most instances the efforts of the service to encourage the parties to bargain during an injunction period with a view to an early settlement, fell on deaf ears. Injunctions do not and cannot in themselves settle labor disputes. What they do is compel workers to continue working for private employees without imposing any comparable obligation upon the employer. Such a procedure involves a one-sided compulsion which certainly cannot be considered as contributing to the improvement of the relationship between the parties to the dispute.

Political Contributions

The Taft amendment retains in substance still another feature of the Taft-Hartley Act. This is the provision which prohibits poltical contributions by unions and corporations. The only change which the Taft amendment makes is to eliminate the word "expenditure" from this section. Such a provision has no place in a labor-relations statute. The subject matter of the provision deals with questions of public policy which are outside of the proper scope of labor-management legislation. If any such provision is appropriate, it should be incorporated in a general statute applied to all forms of organizations. The provision as it stands in the Taft-Hartley Act, and as it would be retained under the Taft amendment, would apply only to labor unions and corporations. Proponents of the prohibition state that the rights of minority members in unions should be protected against possible diversion of their dues to the support of political candidates they do not favor. Assuming this to be true, the same protection should be afforded members of other types of organization, such as trade associations, farmers, veterans' groups, and other associations. There is no justification for discriminating against unions on such a matter, and such a provision has no place in a labor-management-relations act.

The Implications of the Taft-Hartley Law

My discussion of the specific proposals made by Senator TAFT makes it clear that the program he now suggests will give us no more assurance of a successful labor-management-relations policy than the one he gave us 2 years ago. To sum up my charges against the Taft-Hartley law, let me remind you that I have established the following facts:

1. The Wagner Act was successful; it was operating satisfactorily. The Taft-Hartley law was designed to meet a danger that did not exist.

2. The Taft-Hartley law, conceived in error, did not produce the good pattern of industrial relations which its authors claimed for it. It did not create industrial peace; it did not put labor and management on an equal footing; it did not even prevent pro-Communists from receiving collective-bargaining recognition, as witness the fact that an open Communist can disavow his party affiliation one day and file affidavits permitting him to come before the National Labor Relations Board the next day.

3. Unsuccessful though it was in establishing a favorable industrial-relations atmosphere, the Taft-Hartley law did succeed in creating industrial-relations chaos. Relationships satisfactory for many years were destroyed; in other cases such satisfactory relationships had to be continued by under-the-table agreements between labor and management, in which there was tacit avoidance or open flouting of the law.

4. For the first time in our peacetime history the Government has been embroiled in the substance of collective bargaining. As I have indicated, the place of the Government in the collective-bargaining process is to create a favorable atmosphere and to protect the rights of the parties rather than to tell those parties what they may agree to and what they may not agree to.

The failure is obvious. The question before us is what is to be done. The administration bill fundamentally restores the Wagner Act. It is hoped that the atmosphere of free collective bargaining can once more be established without having suffered any permanent damage due to the irresponsible experiment of the past 2 years. Labor relations under the Wagner Act were better handled by far than they are at present, or than they would be under the amendments proposed by the Senator from Ohio. To those people who fear that unions will hurt our economy, as they have never done before, I reply by quoting from a book which is the basic economic text of the prophet of free enterprise, Adam Smith. In book I, chapter 8, of The Wealth of Nations, Smith, writing in the year our independence was established, stated:

"We rarely hear * * * of the combinations of masters, though frequently of those of workmen. But whoever imagines, upon this account, that masters rarely combine, is as ignorant of the world as of the subject. Masters are always and everywhere in a sort of tacit but constant and uniform combination, not to raise the wages of labor. * * * To violate this combination is everywhere a most unpopular action and a sort of reproach to a master among his neighbors and equals. * * * Masters, too, sometimes enter into particular combinations to sink the wages of labor. * * *

"Such combinations, however, are frequently resisted by a contrary defensive combination of the workmen, who sometimes, too, without any provocation of this kind, combine of their own accord to raise the price of their labor. Their usual pretenses are sometimes the high price of provisions; sometimes the great profit which their masters make by their work. But whether their combinations be offensive or defensive, they are always abundantly heard of. In order to bring the point to a speedy decision, they have always recourse to the loudest clamor, and sometimes to the most shocking violence and outrage. They are desperate, and act * * * [to] * * * frighten their masters into an immediate compliance with their demands.

"The masters upon these occasions are just as clamorous upon the other side and never cease to call aloud for the assistance of the civil magistrate, and the rigorous execution of those laws which have been enacted with so much severity against combinations of * * * laborers and journeymen."

One of the great authorities I have cited before, Dr. William M. Leiserson, after citing the paragraphs I have read, warned us against changing the Wagner Act. He said:

"Like Adam Smith, however, we must not be misled by the clamor of those who have been masters. The picture is not as dark as they paint it. No employer has gone to jail for violating the Labor Relations Act, but workers are still going to jail for their 'unfair labor practices,' for disorderly conduct in connection with strikes, for mass picketing, as well as for the violence they resort to in desperate efforts to bring their disputes to a speedy decision."

What is necessary in order to build a sound labor-relations policy, in addition to reinstating the spirit of the Wagner Act, is fairly simple: We must give the working people in the United States the opportunity to achieve the standard of living which they deserve in view of our productive capacity. The Taft-Hartley law was passed because there were many strikes in 1946 after price control was repealed. The chart I displayed the other day, prepared by the Department of Labor's Bureau of Labor Statistics, shows how real earnings of the American worker went down beginning with the middle of 1946. Is it any wonder that a wave of strikes resulted? Surely a labor-relations policy would be better directed toward raising those real wages back to their earlier levels, rather than artificially clamping down on the rights of the people who struck in retaliation against the economic blows they suffered in 1946. Surely it would be better to raise the minimum wage to 75 cents an hour so as to give some measure of security to the underprivileged, without whose economic freedom none of us is secure. The question of obtaining a satisfactory labor-relations policy, therefore, is broader than the question of labor relations itself. Our first step is to restore the freedom to bargain collectively. Our second step is to insure that our economic system will serve the people in their freedom.

Mr. THOMAS of Utah. Mr. President, how much time have we left?

The PRESIDING OFFICER. The Chair is advised by the Parliamentarian that the Senator from Utah has 7 minutes left.

Mr. THOMAS of Utah. Mr. President, in the debate of yesterday I think we sufficiently covered all points in regard to the Taft amendment. We covered them to such an extent that I can say quite truthfully that if the Taft amendment prevails we shall not have a new law at all, despite the fact that there are 28 changes, because the Taft amendment would retain the entire spirit and theory of the Taft-Hartley Act.

Therefore, Mr. President, it will be in order and it will be proper for us appropriately to name the act. The bill which is before us is called the Labor Relations Act of 1949. That name should not remain if the Taft amendment prevails. It should be called what the Taft-Hartley Act was called, with a change in the year. It should be called the Labor-Management Relations Act of 1949. Probably a better name for it would be the Taft Act of 1949. Amendments to the title will be in order and will probably be offered at the appropriate time if the Taft amendment is adopted.

Mr. President, in justice to everyone and to the RECORD, it should be pointed out that the first of the Baldwin amendments is an amendment reaching in the right direction; but, as we said yesterday, I doubt very much whether, if it should become a part of the law, it would do what the provision in what is called the Thomas bill would do in regard to the supremacy of Federal law in interstate cases. Each Senator will vote as he sees fit. Of course, I shall vote for the Baldwin amendment. It tends away from what the Taft amendment tries to do. It tends toward what we think is the proper theory in regard to Federal control in this field. But Senators must vote their convictions upon that amendment.

Now for a closing statement. Let me say in all seriousness that the Taft-Hartley Act has done such great injury to the labor movement that if it had happened that we had had hard times or a depression in the past 2 years the

act could have been used, and would have been used, to destroy the labor movement in the United States. I say that in all seriousness. If the Taft amendment prevails and becomes the law in place of the Taft-Hartley Act, which is now the law of the land, and if we come upon hard times, if we move into a period of unemployment, if we move into a type of living in which employment becomes hard, then, of course, a movement will be made toward destroying the wage scale, and the best way to destroy a wage scale is to destroy a union.

When I say that, I am citing history. Already in the United States, wherever there has been an economic tendency toward a depression and toward unemployment, wherever there has been a surplus of labor, crafty employers who have not properly thought through the economic question have already used the force, which Government gives them by being on their side, to bring about a destruction of unions and to bring about a condition in which laboring persons lose their pay so far as present standards are concerned. That will continue, as surely as hard times come, and as surely as unemployment reaches any considerable proportions.

There is still one chance to save the bill. I trust that the Taft amendment will be voted down. If it is voted down, despite the fact that we suffer discouragement and despite the fact that the bill as it stands today, with the changed title, is, as I said yesterday a bad bill, if we can defeat the Taft amendment we can in conference make a halfway decent law.

The PRESIDING OFFICER. The Senator from Utah has one additional minute if he cares to use it.

Mr. IVES. Mr. President, will the Senator from Ohio yield to me?

Mr. TAFT. I yield to the Senator from New York.

Mr. IVES. The Senator from New York thanks the Senator from Ohio very much.

The PRESIDING OFFICER. How much time does the Senator from Ohio yield?

Mr. TAFT. I yield for a question. Then I shall yield myself 1 or 2 minutes.

Mr. IVES. The Senator from New York has an important question. A question has arisen as to whether the secondary boycott provisions of the Taft-Hartley Act or of the substitute which is before us, and which has been offered by the distinguished Senator from Ohio, were intended to apply to economic pressures exerted by a labor union against nonunion employers in the ladies' garment industry who operate under a jobber-contractor system of production.

Let me put a typical case. A jobber is engaged in the manufacture of dresses. He buys piece goods. He employs designers to design the garments and perhaps cutters to cut the goods. But the dresses are not sewn and finished in his own shop. Instead the jobber sends out the cut goods or sometimes the uncut goods, to contractors whose workers sew and complete the dresses according to the jobber's specifications. Then the contractor sends the finished dresses back to the jobber who sells them to the trade.

This is a typical example of jobber-contractor production. Governmental investigations have established, and the collective agreements in the industry have long recognized, that under this system the jobber is in economic reality the virtual employer of the workers in the contractors' shops; that he must be responsible for their wages and labor standards, and indeed that the contractor is nothing more than the jobber's outside agent to obtain his required production.

Of the 300,000 workers employed in the ladies' garment industry in the New York area alone, more than 80 percent of them are employed in contractors' shops.

Now, let us suppose the jobber is a nonunion jobber or that he employs nonunion contractors. Suppose, too, that the International Ladies' Garment Workers' Union, the union which functions in this industry, attempts to organize the jobber's workers or the contractor's workers or both groups of workers simultaneously. In this organizational drive the union may attempt to persuade the jobber's workers not to design or to cut goods to be manufactured in the shops of the nonunion contractors, or the union may try to persuade the contractor's workers not to manufacture dresses for a nonunion jobber.

It has been suggested that this might fall within the ban of the literal language of section 8 (b) (4) and section 303 of the Taft-Hartley Act or of section 8 (b) (4) and sections 16 and 17 of the Taft substitute. I am sure this was never the intention of the sponsors of the act or of the Congress. The jobber and his contractors are obviously engaged in a unified and integrated production effort, and they do not stand as neutrals with respect to one another in any labor dispute against the other. Rather, they are allies because they are engaged in a common enterprise. It seems plain to me that they are not to be deemed separate employers, but, rather, a single unified employer of all workers engaged in every phase of the manufacture of the garments, no matter on whose premises the workers are located. Economic pressure exerted against either jobber or contractor cannot be construed as secondary action against either, but must be deemed primary against both. The secondary boycott provisions of the act and of the Taft substitute therefore have not the slightest application.

Does the Senator from Ohio agree that it was never the intention of Congress to have the secondary boycott provisions of the act apply to this situation?

Mr. TAFT. Mr. President, the secondary boycott ban is merely intended to prevent a union from injuring a third person who is involved in any way in the dispute or strike, and therefore should not suffer economic damage simply because of the action of a labor union. It is not intended to apply to a case where the third party is, in effect, in cahoots with or acting as a part of the primary employer.

On the basis of the facts stated by the Senator from New York, I do not believe the law was intended to apply to the case he cites, where the secondary employer is so closely allied to the primary employer as to amount to an alter ego situation or an employer relationship. It should not apply, and I think Judge Rifkind practically decided that in the so-called Project Engineering Co. case.

I may say that one of the changes we are making in the law is to remove the ban on the secondary boycott in a case where there is a strike in one plant and then the work is transferred to another plant, because we feel that in that case the men who are striking should be able to picket the second plant in order that the men there may not work on the work on which the men in the first plant were refusing to work.

The spirit of the act is not intended to protect a man who in the last case I mentioned is cooperating with a primary employer and taking his work and doing the work which he is unable to do because of the strike.

So not only do I think the law of the case is as I have indicated, and does not prohibit the particular action referred to in the facts cited by the Senator in his question, which I have seen and have had the privilege of reading, but the spirit of the act is entirely contrary to applying it in that kind of a case.

Mr. IVES. I thank the able Senator from Ohio.

Mr. TAFT. Mr. President, I yield 10 minutes to the distinguished Senator from Missouri [Mr. DONNELL].

The PRESIDING OFFICER (Mr. LONG in the chair). The Senator from Missouri [Mr. DONNELL] is recognized for 10 minutes.

Mr. DONNELL. Mr. President, the able Senator from Utah [Mr. THOMAS] stated a few moments ago, in substance, that the Taft amendment retains the major provisions of the Taft-Hartley law. In that statement I concur. I believe the fundamental principles set forth in the Taft-Hartley law, the principles of fairness and equality which characterize that act, should be maintained; and in my opinion the Taft amendment upon which we are about to vote does maintain and retain them.

At the time when the Taft-Hartley Act was passed, it was realized that only experience could demonstrate whether changes should be made in it. For that reason there was created a labor-management committee, one of the primary duties of which was to examine the experience under the Taft-Hartley law and to give to Congress the net results of its advice and judgment as to whether changes should be made.

Mr. President, it seems to me to be a very striking commentary upon the frankness and honesty and integrity of the distinguished Senator from Ohio that, instead of coming before the Senate and claiming that the Taft-Hartley law had no imperfections, he frankly presented to the Senate and ultimately to every Member of the Senate the statement he made on May 4, in which he pointed out some 28 changes which have been made in the proposed amendment, as distinguished from the original Taft-Hartley law. Then he pointed out also the 22 important features which are retained and which, to my mind, are the fundamental features of the Taft-Hartley Act.

So, Mr. President, today, as one of those who voted for the Taft-Hartley Act, I am glad to have the privilege of voting for the Taft amendment to the existing Taft-Hartley law.

We have been told here today of the tremendous injury to labor which may be anticipated from the operation of the Taft amendment. Let me say that results under the Taft-Hartley law, the fundamental principles of which are retained in the Taft amendment, as I read the facts, do not bear out the doleful prediction which has been made by our friends on the other side of the aisle.

Let me quote from the report dated December 31, 1948, by the Joint Committee on Labor-Management Relations of the Congress of the United States, and printed by the Government Printing Office in the form of the document I now hold in my hand. It refers to the experience under the Taft-Hartley law. Let me read from it:

> Increase in union membership since passage of the act has been constant. A few unions have lost a substantial block of their membership to other unions when the issue of the failure of their leadership to file non-Communist affidavits has been raised against them. Many of the larger unions, such as the United Automobile, Aircraft, and Agricultural Implement Workers of America, CIO, International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of America, AFL, and the International Association of Machinists, Inc., reported substantial gains by 1948. The teamsters, for example, announced a record total of 1,060,000 members as of January 1948. The United Auto Workers, CIO, which experienced real losses due to shut-down of wartime industries, again approached its wartime peak of about 1,000,000. The largest of the independent or unaffiliated unions, the machinists, climbed to a new peak of 625,000. Few unions, according to all available reports, experienced more than temporary membership losses from 1945 to 1948.

Mr. President, we have been told here today in substance by the distinguished senior Senator from Florida [Mr. PEPPER] that the Taft amendment permits the suability of unions, and it is intimated that a grave disservice is being done to unions by the fact that they are made responsible, just as management is responsible, under the contracts which are made by the labor unions and by management.

Aside from the question of fairness—and to my mind it is perfectly fair that both sides to a contract, not merely one side, should be subject to suit to enforce the terms of the contract—but aside from that, it is short-sighted policy to say that a labor union benefits from exemption from liability under its contract. What is it that brings about successful collective bargaining? Why is it that the employer is willing on the one hand, and the employee, on the other, to enter into collective bargaining? Should it not be true that the primary reason is that they think they can enter into a bargain which, when made, can be enforced against both parties? If from a contract of that kind we pare off virtually all liability on the part of the labor union, we discourage the employer from his willingness to enter into collective bargaining.

So, Mr. President, the very fact that labor unions would, under the provisions of the Thomas bill, not be subject to the suability provision, to my mind is a great disservice to the unions, in that it discourages collective bargaining instead of encouraging it.

Louis Brandeis, when a comparatively young man, as has been pointed out previously upon the floor of the Senate, in 1902 or 1903, I think it was, had this to say:

> This practical immunity of the unions from legal liability is deemed by many labor leaders a great advantage. To me it appears to be just the reverse. It tends to make officers and members reckless and lawless, and thereby to alienate public sympathy and bring failure upon their efforts. It creates on the part of the employers, also, a bitter antagonism, not so much on account of lawless acts as from a deep-rooted sense of injustice, arising from the feeling that while the employer is subject to law, the union holds a position of legal irresponsibility.

Instead of the provision of the Taft amendment, which makes a union subject to liability to suit, being a disservice to a union, it is a positive advantage.

I may say another thing. It has been pointed out upon the floor of the Senate, I think, that the Thomas amendment eliminates one of the very striking provisions of the Taft-Hartley law, one of the fundamental provisions which is retained in the Taft amendment, and that is the provision which makes it illegal for Government employees to strike.

Why should there not be a prohibition against strikes by Government employees, carrying on the activities of the Government? The Taft-Hartley law, having put into effect, by the votes of Democrats and Republicans alike, a prohibition against Government employees striking, now, if the Thomas bill repeals that provision, is there not a clearly implied approval of the right of Government employees to strike? I do not say that necessarily they would be able to maintain that right, but I say that it is important to maintain in the law a clear, definite prohibition of strikes by employees of the Government.

The Thomas bill fails to contain any provision whatever prohibiting mass picketing or coercive picketing. The Taft amendment which we are to vote upon within a very few minutes contains and retains the provisions of the Taft-Hartley law prohibiting coercive and mass picketing. Who is there to say that our country should be allowed to be overrun by mass and coercive picketing? Why is it that the Thomas bill eliminates the prohibition against it?

The Taft-Hartley law prohibits coercion of employers in the selection of their foremen. The Taft amendment retains that provision. Why should any labor union have the right to coerce an employer in the selection of his foremen?

The Taft-Hartley law places the Mediation and Conciliation Service in an independent entity, free from employers on the one hand, free from employees on the other. The Thomas bill restores the Mediation Service, placing it back in the hands of the Labor Department, the very statutory duty of which is the protection of the interests of labor.

The PRESIDING OFFICER. The time of the Senator from Missouri has expired.

Mr. DONNELL. Mr. President, I earnestly urge the Senate to do, as I believe it will—adopt the Taft amendment to the Thomas bill, this afternoon.

Mr. TAFT. Mr. President, I yield 5 minutes to the Senator from New Jersey [Mr. SMITH].

The PRESIDING OFFICER. The Senator from New Jersey [Mr. SMITH] is recognized for 5 minutes.

Mr. SMITH of New Jersey. Mr. President, I regret exceedingly that my recent illness prevented my participation in the debate within the past few weeks. As I have been one of the participants in the amendments which have been before the Senate, I considered I had a responsibility to say a word in behalf of the Taft amendment. I hope to do so in these few minutes.

Last week, through the courtesy of my colleague, I placed in the RECORD a statement of what I conceived to be the issues in the debate. At that time I expressed my great regret that it had not been possible for the committee, before the bill ever came to the floor, to get together and discuss this very difficult and admittedly controversial issue in a spirit of statesmanship, not of partisanship. It was a matter of deep regret to me that the administration bill was reported to the floor without the minority being given a chance even to offer amendments. I realized then that when it came to the floor it would be necessary for the kind of procedure we have had here, which frankly I do not think is the best sort of procedure in considering a question of this kind.

As I see it, there are two outstanding issues in the debate. One has been made the subject of discussion. It was disposed of two days ago. I refer to the protection of the public, of the American people as a whole, in the event of the occurrence of some sort of labor dispute which tends to threaten the safety or the welfare of the people. The Senate settled that by determining that the President should have certain power. It was not compulsory. We determined that he might have the power, in his discretion, to use certain remedies to protect the people, for a limited period of time, within which it was to be hoped that mediation might take care of the issue. Personally, I cannot see why there has been such a hue and cry about how terrible that provision is. It seems to me it is the only way we can deal with the important issue of protecting the people against a private dispute.

The other question which is involved—and I think it is involved in the amendments coming up now, and to me at least it is the primary issue—is the protection of the workers of America from exploitation, either by big business or, if I may say so, by big labor. I am interested in the workers of America, and I say that I have always supported collective bargaining in those areas in which the worker should be able to express himself through representatives of his own choosing.

But, by the same token, we are faced with the issue over the union shop or of the closed shop, and things of that character, as to which, if we give larger power to labor to organize and to insist upon a monopoly of the labor market, there must be some sort of regulation to protect the ordinary worker in the procedures of his union. If we are going to retain the closed shop, which has been advocated by some, and which of course is provided in the Thomas bill, then I insist we should write into the bill a provision to protect the worker from the monopoly of his union, to see that he is not exploited by the union.

I am for the American worker's being free from exploitation by either side; so I insist that the Taft-Smith-Donnell amendment, which is coming up presently, is most sincerely and conscientiously designed to deal with the defects in the Taft-Hartley law, and to bring to bear every possible measure we could in order to protect the worker. I urge my colleagues to support the Taft-Smith-Donnell amendment, because I feel that we sincerely and conscientiously tried to find our mistakes, to admit our mistakes, and to correct them through these changes.

To say that it is a slave-labor law, that it takes away the rights of labor, to my mind, is simply misleading the public. Anyone who wants to deal with the matter should simply ascertain what is in the Taft-Donnell-Smith amendment and try to find out wherein he differs from our conclusions. The only issue is the closed shop. I do not think we are prepared to pass upon it unless we are prepared to make regulations for the protection of individuals who need protection from either big business or big labor. It is a matter of policy. I think those of us who are offering the amendment are entitled to have the whole issue examined and that the amendment should be supported.

Mr. TAFT. Mr. President, I yield 1 minute to the Senator from Indiana [Mr. CAPEHART].

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the body of the RECORD the remarks which I have prepared on this subject.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

Mr. President, to those in the galleries, it might be easy to observe that every Member of Congress feels he is an expert on labor legislation, regardless of his practical knowledge about the subject.

Possibly we should pass a law compelling labor leaders and union members to take a course in problems confronting businesses, as well as a law compelling a businessman to take a course in problems confronting the average wage earner.

I am inclined at times to come to the conclusion that we would be better off without any Federal labor legislation whatsoever.

We are inclined in labor-relations debate, as in most every other thing in Congress, to use the exception to prove the rule. For example, labor, to prove its position, picks out a few isolated cases of bad employers and forgets about the tens of thousands of good employers; and management, to prove its position, picks out a few isolated cases of bad labor leaders and labor incidents and forgets about the tens of thousands of good labor leaders and labor relations.

We must be realistic about this matter, because we have had unions in the United States for over 100 years, protected by Federal statutes; and without them, regardless of what any one individual does or what a group of individuals do, we will continue to have them.

Politics should not enter into labor relations.

The Norris-LaGuardia Act was passed by a Republican administration in 1932, when Herbert Hoover was President of the United States. Both LaGuardia and Norris were Republicans.

If the labor unions would fire all their economists, quit trying to run the businesses, and confine their efforts to labor relations, the Nation as a whole would be better off.

To hear some people talk, one would think labor unions were something new in this Nation. To listen to some labor leaders and politicians, one would come to the conclusion that all employers were opposed to unions; and to listen to some employers, one would come to the conclusion that all labor unions were bad.

Unions have participated in some undesirable practices during the past 20 years, the worst of which have been the so-called sit-down strikes, uncontrolled destruction of property, mass picketing, jurisdictional strikes, and some secondary boycotts.

Local officials throughout the Nation have consistently and repeatedly failed in too many instances to maintain law and order to protect both property and human rights.

I voted for the Taft-Hartley bill because I felt it was to the best interests of all our people—including the unions themselves. I repeatedly stated, and my only comment on the Taft-Hartley bill since it became a law was, that if any features of it proved to be unfair to either labor or management, I would vote to change it and that is my position today.

Mr. TAFT, one of the coauthors of the bill, himself, has suggested 28 changes, and those opposed to the Taft-Hartley bill have supported already in this Senate, some four to five changes.

Therefore, if the coauthor of the bill feels justified in changing his mind with respect to 28 features, I feel justified—and think every other Senator should feel justified—in supporting any change or changes which he feels is to the best interests of labor and management.

I have come to the conclusion—just as the Chicago Tribune so ably stated in the editorial which I hold in my hand—the matter of a closed shop should be left entirely to the discretion of the employer and employee.

If both management and labor desire a closed shop—that should be their privilege. If they desire a union shop—that should be their privilege, and if both, employer and employee, desire an open shop, meaning no union of any kind that, likewise, should be their privilege.

It takes three ingredients to make a business institution:

1. Capital.
2. Labor.
3. Management.

I defy anyone to run a successful business without all three.

The Government should never be anything more than the umpire.

I know some people will disagree with this position—and others will applaud the position, but I honestly believe that a closed shop works to the decided advantage of those businesses engaged in the kind of business which requires skilled help, such as carpenters, printers, bricklayers, tool and die makers, and many others in our so-called craft unions.

I am equally opposed to the closed shop in those businesses where the union has what is commonly known as a "plant-wide" union—a better description of them might be a union where all employees of a plant, including the janitors on up, belong to the same union.

As an employer in such a business, I would be inalterably opposed to a closed shop, but as a contractor using skilled carpenters, bricklayers, etc., I would prefer a closed shop.

The closed shop is not practiced in the coal industry by the United Mine Workers, neither is the closed shop used among the railroad industry by the railroad unions.

The CIO has only one closed shop division among their thousands of union contracts, namely, in the maritime field.

The closed shop is practiced primarily among the craft unions and has been so practiced for over 100 years.

The first typographical union was founded in 1809.

No responsible union official has the right to ask for a closed shop where he has what is commonly called a "plant-wide" union for the practical reason that he should not and must not take on the responsibility of seeing who the employer should or should not hire.

By virtue of the same thing it works a tremendous hardship on the contractor, and those dealing with the craft unions, to be forced to go out and hire or find on quick notice skilled, experienced craftsmen.

The worker is just as much of our private-enterprise system as is capital and management, and he should be just as much interested in maintaining this private-enterprise system as is capital.

Labor leaders have a responsibility—just as capital and management—and they should stop this constant attack upon the private-enterprise system.

Each performs its own duties and has its own responsibilities—and one is just as important as the other in our kind of society.

If labor and management don't quit fighting—quit taking undue advantage of the other, the end result will be chaotic and the downfall of our great country.

The only substitute for our private-enterprise system is that the Government will own and operate all businesses, and we will all work for the Government. Once we all work for the Government we will find that the worst private industry boss is better than the best governmental boss.

Mr. TAFT. Mr. President, the Senate has before it the question of whether it will pass the Taft-Donnell-Smith amendment or whether it will pass the Thomas bill.

In the substitute presented by the minority, which is now before the Senate and which was prepared after the most careful consideration, we did what any legislative body should do: We took the existing law and asked for protests. We knew of the labor protests, but we asked representatives of labor to come before the committee and say what was wrong with the law. Many of them came forward and stated what they thought was wrong with it. Employers felt there were some things wrong with it, but apparently they did not feel strongly enough to come before the committee and present their views.

We have adopted many provisions designed to meet the protests which are important to labor. They cover practically the entire field of really vigorous and reasoned protests. Of course, we do not cover the vague field of name calling, such as "slave labor bill" and similar propaganda, which has never been based on reason.

If we do not adopt the amendment, Mr. President, we will be throwing away the basic principle of American legislation. We will be saying that we should be influenced by propaganda. If anyone has sufficient force and enough money to build up propaganda based simply on name calling and sneering, then the argument is that Congress should respond to that position.

The position taken by Mr. Green in sending to the Senate a message demanding the defeat of the amendments illustrates labor's position—it must have everything, or it will not take anything. That is the effect of the Green proposal. He says:

> We feel that amendments designed to make the Taft bill more palatable would be useless and a waste of time. The action yesterday in the Senate in regard to section 3 of the bill makes it absolutely unacceptable.

Because we chose to keep one important provision of the Taft-Hartley law, Mr. Green says, "I do not want any of the amendments we have been demanding and which we think are necessary for labor."

The amendments which we have suggested are important ones. The most vigorous protest was directed against the operation of the independent general counsel. While there was some doubt on my part, we agreed that provision should be eliminated and that we should return to the administrative procedure of the National Labor Relations Board. It is a great improvement over the original procedure, although it does not completely separate the prosecuting and judicial functions.

We undertook to increase the Board to seven members because of the claim that they were not able to handle the complaints made by labor. There are four times as many complaints handled by the National Labor Relations Board from labor against employers as there are from employers against labor. The idea that the act is an employer's act is a complete fallacy. The Wagner Act, as amended by the Taft-Hartley Act, has operated primarily to the advantage of labor.

With respect to the responsibility of unions for the misconduct of employees, the provision was said to be too vague. I thought it was vague so we eliminated that provision. We eliminated the provision which required a vote to authorize union shops, so that the unions could themselves go ahead and negotiate for union shops.

We modified the secondary boycott provision, as I described a few minutes ago, in order that it should apply only to cases in which innocent third parties, who were in no way involved, were injured by the arbitrary action of labor unions.

We apply the Communist oath to employers as it is applied to employees. I think if it had been carefully considered the committee would have done that orginally. It was a one-sided provision.

The most violent opposition of the labor unions was directed to the so-called mandatory injunction. While I think it was very effective in stopping secondary boycotts, it did operate in a one-sided way when it went into operation. So we have eliminated it.

I could mention one or two more important matters in which we have met the demands of labor. But the position of labor now is that they want the act repealed; they do not want to improve it; they want the issue in the next election. I cannot think of any position more at variance with sound principles of American constitutional government and American legislative practice.

What the amendment does is to propose a remedy for the specific things against which complaints have been made. Some Senators say they do not like it and that there are one or two provisions which they think should be changed. We happened to disagree with them. They may be right or they may be wrong. We wanted to correct those matters in which we thought we had made mistakes. We tried to amend those things. It certainly is an illogical position for anyone to say, "I am for the Taft-Hartley law; I voted for it, but because you are not changing this and that, although you are making 10 other important changes, I shall not vote for the amendment."

Mr. President, the Senate will vote, first, as I understand, on the amendment to nullify State laws which outlaw the closed shop. We go somewhat further, perhaps, than does the Federal law. In the first place, the importance of the closed shop is certainly very considerably exaggerated. I think it has been used as an arbitrary weapon, and I think it is perhaps the chief cause of labor abuses, such as "featherbedding" and limited production, which usually stem back to a closed-shop situation. The closed shop is not approved by many authorities. The railroad mediation law, which has been referred to as a model, prohibits the closed shop in the railroad industry. There has never been a closed shop in the railroad industry. It has been specifically prohibited by law. That law has not injured any railroad union in the United States.

Mr. Leiserson has been quoted by the distinguished Senator from Minnesota [Mr. HUMPHREY] and other Senators as an authority on labor relations and as being opposed to the closed shop. He thinks it should be prohibited, and he so testified before the committee. He is in favor of everyone being compelled to pay the cost of getting an agreement and administering it; that is, to pay the dues in connection with it. He says to let the man who belongs to the machinists' union, if the UAW wants an election, to continue to belong to it and say he does not need to join the UAW. Mr. Leiserson's position is very definite in opposition to the closed shop. Naturally he does not object to the prohibition of the closed shop.

In the case of American Federation of Labor against the American Sash Co., Mr. Justice Frankfurter cites Mr. Justice Brandeis in holding that the State laws were valid. During the administration of the Wagner Act the Supreme Court of the United States said State laws were valid. I think they should remain valid, no matter what other action we may take. Mr. Justice Frankfurter quotes Mr. Justice Brandeis as follows:

> The objection, legally, economically, and socially, against the closed shop was so broad, so antagonistic to the American spirit, that the insistence upon it has been a serious obstacle to the unions.

Those words have been cited with approval by Mr. Justice Frankfurter, who certainly presents a liberal and pro-labor point of view. He says it has worked out satisfactorily. It seems to me that we should permit a State which wishes to go further, which wishes to affirm the position of Mr. Justice Brandeis and Mr. Justice Frankfurter, to do so. I think we should affirm their position and defeat the amendment proposed by the distinguished Senator from Connecticut.

The VICE PRESIDENT. The hour of 2 o'clock having arrived, the question is on agreeing to the amendment offered by the Senator from Connecticut [Mr. BALDWIN], as modified, to the amendment of the Senator from Ohio [Mr. TAFT] in the nature of a substitute for titles I, II, and IV of the so-called Thomas substitute for Senate bill 249.

Mr. BALDWIN. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BALDWIN. Mr. President, may the amendment be stated?

The VICE PRESIDENT. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 12, line 25, after the name "United States" and before the comma, it is proposed to insert "or in the law of any State," and on page 41, beginning with line 16, to strike out subsection (b) down to and including line 20, as follows:

> (b) Nothing in this act shall be construed as authorizing the execution or application of agreements requiring membership in a labor organization as a condition of employment in any State or Territory in which such execution or application is prohibited by State or Territorial law.

The VICE PRESIDENT. The yeas and nays having been ordered, the Secretary will call the roll.

The roll was called.

Mr. MYERS. Mr. President, the senior Senator from Louisiana [Mr. ELLENDER] is absent by leave of the Senate on official business, having been appointed an adviser to the delegation of the United States of America to the Second World Health Organization Assembly, meeting at Rome, Italy. If present and voting, the Senator from Louisiana would vote "nay."

The result was announced—yeas 41, nays 53, as follows:

YEAS—41

Aiken	Johnston, S. C.	Myers
Anderson	Kefauver	Neely
Baldwin	Kerr	O'Mahoney
Douglas	Kilgore	Pepper
Downey	Langer	Saltonstall
Flanders	Lodge	Smith, Maine
Graham	Long	Sparkman
Green	Lucas	Taylor
Hendrickson	McGrath	Thomas, Okla.
Hill	McMahon	Thomas, Utah
Humphrey	Magnuson	Thye
Hunt	Miller	Tobey
Ives	Morse	Withers
Johnson, Colo.	Murray	

NAYS—53

Brewster	Gillette	Millikin
Bricker	Gurney	Mundt
Bridges	Hayden	O'Conor
Butler	Hickenlooper	Reed
Byrd	Hoey	Robertson
Cain	Holland	Russell
Capehart	Jenner	Schoeppel
Chapman	Johnson, Tex.	Smith, N. J.
Chavez	Kem	Stennis
Connally	Knowland	Taft
Cordon	McCarran	Tydings
Donnell	McCarthy	Vandenberg
Eastland	McClellan	Watkins
Ecton	McFarland	Wherry
Ferguson	McKellar	Wiley
Frear	Malone	Williams
Fulbright	Martin	Young
George	Maybank	

NOT VOTING—1

Ellender

So Mr. BALDWIN's amendment, as modified, was rejected.

Mr. BALDWIN. Mr. President, I desire to call up an amendment which I submitted yesterday, the so-called free speech amendment, lettered "DD," and ask that it be stated.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 18, line 18, of the Taft substitute for the bill it is proposed to strike out the words "or set aside any election."

The VICE PRESIDENT. The Senator from Connecticut is recognized for not to exceed 10 minutes.

Mr. BALDWIN. Mr. President, the Senate has already adopted, practically unanimously, as I recall, a free speech amendment, and the amendment which has already been adopted to the Thomas bill by the Senate is one which was approved by the distinguished Senator from Ohio. In the amendments offered by the Senator from Ohio, however, there is a variance in this particular provision from the amendment which has already been adopted. I think I can best utilize the limited time I have to discuss the amendment by reading what the distinguished Senator from Vermont [Mr. AIKEN] had to say when this matter was before the Senate previously, and before the adoption of the amendment as it now has been adopted by the Senate.

There is no reference—

Said the Senator from Vermont—

made to free speech in the bill of the Senator from Utah.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. By unanimous consent the Senator from Connecticut may yield for a parliamentary inquiry.

Mr. LUCAS. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. BALDWIN. I yield.

Mr. LUCAS. I was under the impression, Mr. President, that all amendments which were offered previous to 2 o'clock today would be voted on at 2 o'clock or immediately thereafter.

The VICE PRESIDENT. The Senate accepted a modification of the unanimous-consent agreement, that an amendment might be offered and that the proponent, if he so desired, might have 10 minutes, and the opponent might have 10 minutes.

Mr. LUCAS. I thought that modification applied only to amendments which were offered after 2 o'clock, and not before.

The VICE PRESIDENT. The present amendment was not offered until after 2 o'clock. The Senator from Connecticut has just offered the amendment. It was read previously for the information of the Senate, but was not actually offered then.

Mr. LUCAS. I thank the Chair and I thank the Senator from Connecticut for yielding to me.

Mr. BALDWIN. I continue to read from the statement of the Senator from Vermont [Mr. AIKEN] made on June 15:

Under the Taft-Hartley Act it has been found that the free-speech provision goes too far. The amendment which I have offered is an effort to correct the situation and provide in the law that both employers and unions shall have the right of free speech.

This amendment is almost like the one submitted by the Senator from Ohio [Mr. TAFT].

I might interpolate there to say that the amendment offered by the Senator from Ohio, to which the Senator from Vermont referred, appears, as I recall, on page 18 of the so-called Taft substitute.

This amendment refers to unfair labor practices only—

That is the one I have offered—

whereas the amendment of the Senator from Ohio would extend the rule to elections as well. It seems to the sponsors of this amendment that the choosing of a bargaining agent is something over which the unions themselves should have full jurisdiction and that that is not the proper place to permit the employer to enter the picture and argue for or against any particular union or bargaining agent.

It is believed that this amendment would give the employer free speech in full degree so long as such speech does not contain any threats, implied threats, or promises or reward. With this amendment it would seem that both unions and employers would be on equal terms, and be treated fairly.

Mr. President, that summarizes the situation completely. The amendment which I have now offered would parallel the one which has already been adopted, and would preserve that amendment which has already been adopted by the Senate against the possibility that the substitute offered by the Senator from Ohio, in which he has a provision incorporating this same matter might make a change in it.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BALDWIN. I yield.

Mr. TAFT. I have consulted with the other authors of the substitute measure, and we are willing to accept the amendment offered by the Senator from Connecticut. I do not know whether, under the parliamentary procedure we can accept it, but if not, I suggest that the Senator move the adoption of his amendment.

The VICE PRESIDENT. The Senate will have to vote on it.

The question is on the amendment offered by the Senator from Connecticut lettered "DD" to the so-called Taft substitute to the Thomas bill.

The amendment to the amendment was agreed to.

Mr. MORSE. Mr. President, I wish to call up my amendment to the Taft substitute. It is the amendment which deals with an independent Mediation and Conciliation Service. My amendment proposes to strike out from the Taft substitute from line 3, on page 49, through line 7, on page 57, both inclusive. I understand the Senator from Ohio is willing to accept my amendment. I want to make it very clear——

The VICE PRESIDENT. The Senator from Oregon has offered an amendment to the so-called Taft substitute. Does the Senator from Oregon ask to have the amendment read in full, or does he ask that it be printed in the RECORD?

Mr. MORSE. No; I ask that it be printed in the RECORD, but I wish to have stated that part of the amendment which indicates the portion of the Taft substitute I propose to strike out.

The VICE PRESIDENT. The clerk will state the portion indicated by the Senator from Oregon.

The LEGISLATIVE CLERK. It is proposed by Mr. MORSE to strike out of the Taft substitute, from line 3 on page 49 through line 7 on page 57, inclusive, and to insert in lieu thereof a new title II.

The VICE PRESIDENT. Without objection, the amendment will be printed in the RECORD at this point.

The amendment is as follows:

Strike out from line 3, page 49, through line 7, page 57, inclusive, of the so-called Taft amendment, and insert in lieu thereof the following:

"TITLE II—MEDIATION, CONCILIATION, AND ARBITRATION

"THE FEDERAL MEDIATION AND CONCILIATION SERVICE

"SEC. 201. In the interest of encouraging a responsible system of self-government in plants, factories, mines, and other places of employment consistent with the principles and practices of democracy, of achieving high levels of production and employment and of fostering high standards of living, it is declared to be the policy of the United States—

"(a) that the primary responsibility for settling labor disputes, for industrial peace and for the development of sound labor-management relations rests on employers, their employees, and their representatives and that this responsibility can be discharged most effectively through the procedure of conferences and good-faith collective bargaining;

"(b) that excepting when the conduct of employers, their employees, or their representatives is contrary to law or when the safety and health of the people are immediately and directly endangered the role of government in the settlement of labor disputes, the promotion of industrial peace, and the development of sound labor-management relations should be limited to providing facilities calculated and designed to assist employers, their employees, and their representatives in the discharge of their responsibility to bargain collectively and in good faith;

"(c) that the role of government as above described in the settlement of labor disputes without strikes or lock-outs can best be performed by making Government facilities and services available for the effective conciliation and mediation of labor disputes and the establishment, when the circumstances warrant, of boards and panels to inquire into and report on the facts in such disputes (with or without recommendations) and for

the voluntary arbitration of grievances and other disputes seriously affecting the public welfare; and

"(d) that the role of government as above described in the promotion of industrial peace and the development of sound labor-management relations can best be performed by making Government facilities and services available to foster and make known the best practices and usages of collective bargaining, to improve human relations between employers, employees, and their representatives and to lend assistance in the formulation and general acceptance of such contract provisions and procedures as are best designed, on the basis of experience, to achieve and effectuate the goals declared in this section of this title.

"SEC. 202. (a) The Federal Mediation and Conciliation Service (hereinafter called the "Service") is hereby continued as an independent agency in the executive branch. The Service shall be under the direction of a Federal Mediation and Conciliation Director (hereinafter referred to as the "Director"). The Director in office on the date of enactment of this act shall continue in office without reappointment, but his successor shall be appointed by the President, by and with the advice and consent of the Senate. The Director and the Service shall not be subject in any way to the jurisdiction or authority of the Secretary of Labor or any official or division of the Department of Labor. The Director shall receive compensation at the rate of $12,000 per year, and shall not engage in any other business, vocation, or employment.

"(b) The Director is authorized, subject to the civil-service laws, to appoint such clerical and other personnel as may be necessary for the execution of the functions of the Service, and shall fix their compensation in accordance with the Classification Act of 1923, as amended, and may, without regard to the provisions of the civil-service laws and the Classification Act of 1923, as amended, appoint and fix the compensation of conciliators and mediators, arbitrators and members of fact-finding and other boards and panels established by him to assist in the settlement of labor disputes, and to effectuate the policy of the United States as set forth in section 201: *Provided*, That such arbitrators and members of such boards and panels shall be compensated, as determined by the Director, at a rate not in excess of $100 per day, and shall be allowed transportation and other necessary expenses, and $25 per diem in lieu of subsistence, whether or not in travel status. The Director is authorized to make such expenditures for supplies, facilities, and services as he deems necessary. Such expenditures shall be allowed and paid upon presentation of itemized vouchers therefor, approved by the Director or by any employee on the staff of the Service designated by him for that purpose.

"(c) The principal office of the Service shall be in the District of Columbia, but the Director may establish regional offices convenient to localities in which the facilities afforded by the Service may need to be made available. The Director may by order, subject to revocation at any time, delegate any authority or discretion conferred upon him by this act to any other officer or employee of the Service. The Director shall make an annual report, in writing, to Congress, not later than January 1 of each year, of the business of the Service and its experience during the fiscal year terminating on the June 30 immediately preceding such date.

"(d) Notwithstanding the repeal of the Labor-Management Relations Act, 1947, by section 101 of this act, all mediation and conciliation functions of the Secretary of Labor conferred on him by section 8 of the act entitled "An act to create a Department of Labor," approved March 4, 1913 (U. S. C., title 29, sec. 51), and transferred to the Federal Mediation and Conciliation Service by section 202 (a) of the Labor-Management Relations Act, 1947, shall continue to be so transferred to that Service.

"FUNCTIONS OF THE SERVICE

"SEC. 203. (a) The duty of the Service is to offer and make available to labor organizations and to employers the facilities referred to in section 201, and shall assist them in settling disputes through the processes of free collective bargaining. The Director shall have authority to proffer the mediation, conciliation, and other facilities of the Service in any labor dispute which, in his judgment, affects commerce either upon his own motion or upon the request of one or more of the parties to the dispute whenever he is of the opinion that the facilities of the Service may assist the parties in settling the dispute.

"(b) The Director is authorized to establish suitable procedures for cooperation with State and other mediation agencies, and to enter into agreements with such State and other mediation agencies relating to the mediation of labor disputes, which, in his judgment, threaten to or have an effect on commerce which is minor in extent.

"(c) If the Service is not able to bring the parties to a dispute to agreement on terms of settlement within a reasonable period of time, it shall seek to induce them to agree to such other and special procedures for the settlement of the dispute, without resort to strikes or lock-outs, including, but not limited to, voluntary arbitration or cooperation with and participation in hearings of such special boards and panels as may be established by the Director, or otherwise, and acceptance of the findings and recommendations of such boards and panels.

"(d) It shall be the responsibility of the Service, through conferences and such other methods as it deems appropriate, to strive to improve relations between employers and the representatives of their employees, and encourage and advance the practices and usages of free collective bargaining for the purpose of avoiding labor disputes and preventing such disputes as might occur from developing into stoppages of operations which might affect commerce or develop consequences injurious to the general public welfare.

"CONDUCT OF OFFICERS OF SERVICE

"SEC. 204. The Director and the Service shall be impartial. Information and facts coming to the knowledge of the Director or the staff of the Service in the course of the performance of their official duties shall be regarded as confidential and not to be divulged, excepting when the public interest and welfare so require, as determined by the Director, under regulations issued by him. Commissioners of the Service shall not engage in arbitration while serving as commissioners and they shall not participate in cases in which they have a pecuniary or personal interest.

"DUTIES OF EMPLOYERS AND EMPLOYEES

"SEC. 205. In order to prevent or minimize labor disputes affecting commerce, employers and employees, and their representatives should—

"(a) exert every reasonable effort to make and maintain collective-bargaining agreements for definite periods of time concerning (1) rates of pay, hours, and terms, and conditions of work; (2) adequate notice of desire to terminate or change such agreements; (3) abstention from strikes or lock-outs in violation of such agreements; (4) suitable grievance machinery; (5) voluntary procedures for the arbitration of grievances as defined in such agreements; and (6) such other procedures as may be necessary or desirable to promote industrial peace and sound labor-management relations;

"(b) participate fully and promptly in such meetings as may be called by the Service for the purpose of aiding in a settlement of any dispute to which they are parties.

"GRIEVANCE MACHINERY AND ARBITRATION

"SEC. 206. It is the pubic policy that disputes arising between employers and employees and their representatives should be settled by peaceful procedures voluntarily agreed to by them without resort to strike or lock-out. Accordingly, the Service shall assist them (1) in developing, for inclusion in collective-bargaining agreements, suitable procedures for the negotiation or arbitration of grievances (as defined in such agreements) which may arise during the term thereof; (2) in formulating stipulations and agreements for the submission of existing disputes and grievances to arbitration; (3) in accordance with the provisions of such stipulations and agreements, in selecting an arbitrator or arbitrators by submitting to the parties a limited roster of names from which they may select the arbitrator or arbitrators of their choice, or, if they cannot so agree, by designating an arbitrator or arbitrators; and (4) in making available such other facilities, consistent with the policies expressed in section 201, as may be necessary to encourage and advance the use of grievance machinery and voluntary arbitration by employers, employees, and their representatives as an alternative to strikes and lock-outs: *Provided*, That nothing in sections 205 or 206 hereof shall make the failure or refusal of either party to agree to an arbitration clause in their contract, a violation of any duty or obligation imposed by any provision of this act.

"LABOR-MANAGEMENT ADVISORY COMMITTEES

"SEC. 207. (a) The President shall appoint such labor-management advisory committees as he deems necessary or appropriate for the administration of this title. The membership of each such committee shall consist of equal numbers of labor and management representatives. Members of such advisory committees shall serve without compensation, but shall receive transportation and per diem in lieu of subsistence at a rate of $25 per day, as authorized by section 5 of the act of August 2, 1946 (5 U. S. C. 73b–2), for persons so serving.

"(b) It shall be the function of such advisory committees, at the request of the Director, to advise in the avoidance of industrial disputes, and the manner in which the facilities of the Service shall be administered in order to achieve the purposes of this title.

"COMPILATION OF COLLECTIVE-BARGAINING AGREEMENTS

"SEC. 208. (a) For the guidance and information of interested representatives of employers, employees, and the general public, the Bureau of Labor Statistics of the Department of Labor shall maintain a file of copies of all available collective-bargaining agreements and other available agreements and actions thereunder settling or adjusting labor disputes. Such file shall be open to inspection under appropriate conditions prescribed by the Secretary of Labor, except that no specific information submitted in confidence shall be disclosed.

"(b) The Bureau of Labor Statistics in the Department of Labor is authorized to furnish upon request of the Service, or employers, employees, or their representatives, all available data and factual information which may aid in the settlement of any labor dispute, except that no specific information submitted in confidence shall be disclosed.

"EXEMPTION OF RAILWAY LABOR ACT

"SEC. 209. The provisions of this title shall not be applicable with respect to any

matter which is subject to the provisions of the Railway Labor Act, as amended from time to time."

Mr. MORSE. Mr. President, I shall not take more than a minute. All the amendment does is to continue an independent Mediation and Conciliation Service. The language of my amendment as worked out in the detail is, I believe, preferable to the present wording of the Taft substitute.

I wish to make it perfectly clear, however, that with the adoption of my amendment as a part of the Taft substitute I shall still vote against the Taft substitute.

The VICE PRESIDENT. Under the unanimous-consent agreement the proponent of an amendment may speak not to exceed 10 minutes; but if he speaks for even as short a time as 1 minute, the opponent of the amendment may have 10 minutes.

Mr. TAFT. Mr. President, I shall not take 10 minutes. Title II of the Thomas bill proposes to place the independent Mediation and Conciliation Service, which is now under Mr. Ching and which was set up 2 years ago, and which has been uniformly successful, under the Secretary of Labor. The committee held long hearings on that subject. The proposal which the minority made was to retain the independent Mediation and Conciliation Service under Mr. Ching, because we felt that that provided an assurance of impartiality as between labor and management. The Service has been regarded as an impartial one. It has been more successful than the old Conciliation Service. The testimony, I think, was almost overwhelmingly in favor of retaining that independent Mediation Service so that both labor and management could be assured of absolute impartiality.

With that position the distinguished Senator from Oregon agrees. It is one of the things upon which the other Republican members of the committee and the Senator from Oregon agree.

The amendment of the Senator from Oregon would do the same thing we do, in somewhat different terms. We have carefully studied his amendment. In substance it is the same as our proposal, but we think it is somewhat more carefully worked out. He has had the advice of the Concilation Service itself in removing a few of the smaller difficulties from the existing law. Therefore the authors of the substitute are glad to approve title II in the form proposed by the distinguished Senator from Oregon, in lieu of the provision which we have written. I do not believe that anyone except an expert could tell the difference between them.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. MORSE] to the amendment offered by the Senator from Ohio [Mr. TAFT] for himself and other Senators, as amended.

Mr. THOMAS of Utah. Mr. President, I understand that we are entitled to a word on this amendment.

The VICE PRESIDENT. The Senator from Utah is entitled to 10 minutes if he is opposed to the amendment.

Mr. THOMAS of Utah. I do not need 10 minutes.

The amendment is of such nature that it is difficult for those who are supporting the Thomas bill to distinguish its real merit. If the amendment of the Senator from Oregon is adopted the Conciliation Service will remain independent, as it is today. If the Taft amendment is adopted the Conciliation Service will remain independent. If the provisions of the Thomas bill should prevail, then, of course, the Conciliation Service would go back where it was before the Taft-Hartley law became the law of the land. Therefore, in voting Senators should vote their conviction as to whether or not it should go back.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. MORSE] to the amendment offered by the Senator from Ohio [Mr. TAFT] for himself and other Senators, as amended.

The amendment to the amendment was agreed to.

The VICE PRESIDENT. The question now is on agreeing to the amendment offered by the Senator from Ohio, for himself and other Senators, in the nature of a substitute for all of the so-called Thomas substitute except title III. The Taft substitute is still open to amendment.

Mr. BUTLER. Mr. President, I offer the amendment, which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment offered by the Senator from Nebraska will be stated.

The LEGISLATIVE CLERK. On page 5, line 19, of the Taft amendment, it is proposed to insert the following new subsection to section 403:

The term "national health or safety" as used in sections 301 and 304 of this act shall be deemed to include the health or safety of a Territory or possession of the United States.

Mr. BUTLER. Mr. President, I think the amendment speaks for itself. I am sure that if there are any advantages to the measure as suggested——

The VICE PRESIDENT. The Chair suggests to the Senator from Nebraska, on the advice of the Parliamentarian, that his amendment comes in the wrong place to make sense.

Mr. BUTLER. The intent of the amendment is perfectly plain. I am willing that the Parliamentarian or others should put it in the place where they think it belongs.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LUCAS. I should like to know what section the Senator seeks to amend.

The VICE PRESIDENT. Section 403, the Chair is informed.

Mr. LUCAS. What title?

Mr. TAFT. It should be page 59, instead of page 5.

Mr. BUTLER. It is an amendment to section 403, on page 5, line 19.

Mr. LUCAS. Does the Senator from Nebraska seek to amend title III?

Mr. BUTLER. No.

The VICE PRESIDENT. The Parliamentarian advises the Chair that it ought to be page 59, instead of page 5.

Mr. BUTLER. Page 59, after line 18.

The VICE PRESIDENT. The Senator from Nebraska offers an amendment on page 59, after line 18.

Mr. BUTLER. The amendment would add the words which were read by the clerk.

The VICE PRESIDENT. The Senator from Nebraska is recognized.

Mr. BUTLER. Mr. President, under my amendment the provisions of the act would be made applicable to the territorial possessions of the United States as well as to the mainland or any other area. We are all more or less familiar with the situation which exists in Hawaii today. It may be that some would interpret the act, without this provision, to be applicable to offshore areas. So I see no objection to spelling it out and making it plain that the provisions of the act are applicable to any territory or possession of the United States.

I have talked with the Delegate from Hawaii, who represents the Territory of Hawaii in the House, and he is in thorough accord with the proposal which I have made. I have not had a conversation with the author of the bill. I do not know exactly what his attitude is. I have spoken with others who are greatly interested in legislation affecting our territorial possessions, and without exception they are in favor of the proposal.

Mr. LUCAS. Mr. President——

The VICE PRESIDENT. Under the rule a proponent of an amendment is entitled to not to exceeed 10 minutes, and any Senator who opposes an amendment is entitled to not to exceed 10 minutes. The Chair can recognize only Senators who are opposed to the amendment.

Mr. LUCAS. Mr. President, I rise in opposition to this amendment.

As I understand the amendment, its purpose and effect would be to call into operation the national emergency provisions of the first Taft substitute in the case of a labor dispute solely affecting Puerto Rico, the Virgin Islands, Alaska, or Hawaii. The intention appears to be to make the emergency provisions applicable to the current labor dispute in Hawaii between the International Longshoremen's and Warehousemen's Union and the so-called Big Five of Hawaii. Both the President and the Federal Mediation and Conciliation Service have regarded the present emergency provisions of the Taft-Hartley Act as not applicable to the labor dispute in Hawaii, even though the dispute may paralyze trade or commerce within that Territory. Under the Taft-Hartley Act the Hawaiian dispute is not regarded as imperiling the national health or safety.

That is the important point with respect to this amendment. While the Senator from Nebraska seeks to amend title IV, in reality he is amending title III, dealing with national emergencies. In the opinion of the Senator from Illinois, a strike in Hawaii, Puerto Rico, or any of the other possessions does not affect the national health, safety, and welfare of the United States. Therefore, I am opposed to this amendment.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield

Mr. TAFT. I have the feeling that the Hawaiian situation has gone beyond the point where the maintenance of the status quo, as provided by the national emergency section, is really applicable. However, it occurs to me that in future problems the provisions of the law should be applicable. I wonder if the Senator would oppose the amendment if we said "on and after January 1, 1950," or something of that kind. I thoroughly agree with the Senator from Illinois that the national emergency provision ought not to be applied to the present situation in Hawaii. I think it would be misleading to the Hawaiian people to give them the impression that that provision would be applicable when a strike has gone as far as this one has. I wonder if the Senator from Illinois would withdraw his opposition if we said "on and after January 1, 1950."

Mr. LUCAS. Will the Senator explain to me the advantage of saying "on and after January 1, 1950"?

Mr. TAFT. I believe that if we had thought of it we probably would have made the provisions of the original Taft-Hartley Act apply to an area such as Hawaii, which can be reached only by water. No State is in that position. No State can be cut off from food. The borders of the States are such that it can always be brought in. But with respect to our offshore possessions, the entire life of the people in certain sections can be strangled. In principle I believe the amendment is right, but I do not want to give anyone the impression that I believe that at this stage in the Hawaiian strike this amendment would accomplish the purposes which might appear to be promised.

Mr. LUCAS. I agree in part with the Senator from Ohio. I do not want it understood that the amendment of the Senator from Nebraska refers to a matter which constitutes a national emergency. It seems to me that there ought to be a real national emergency affecting the United States before any of the provisions of the Taft-Hartley law are applied. If the Taft substitute should become the law of the land, I do not believe that a strike in Hawaii would create a condition in this country which would constitute a national emergency in which the health and safety of the people of this country would be affected. That is why I oppose the amendment.

If we are going to add this amendment to the provisions of title IV and really make one of these strikes in a Territory or possession a national emergency, then there is not a strike that will take place anywhere in this country that will not be considered by some in the same category and be considered as a national emergency.

Mr. BUTLER. Mr. President, will the Senator yield for a question?

Mr. LUCAS. I yield for a question.

Mr. BUTLER. I should like to ask this question: If the exact condition prevailing today in Hawaii, with its population of 540,000 people, who now are completely in distress, were to prevail today in some city on the mainland, for instance, in the city of Chicago, would not the Senator think that would be a national emergency?

Mr. LUCAS. I would not attempt to answer that question, because I am not sufficiently familiar with the situation in Hawaii to be able to compare it with any hypothetical situation which might exist in the continental United States. I simply do not know about that.

I am in sympathy with what the Senator is trying to do. However, my point is that I do not wish this provision to be added to title III, the national emergency provisions of this act, because I am satisfied that if we do that, we then shall have a law under which certain sections of the country will be calling upon the President of the United States for the appointment of a board to investigate every conceivable kind of strike, in an attempt to have it designated a national emergency. I do not doubt that the situation in Hawaii is extremely serious. But I say that if we were to add this amendment to the national emergency provisions, we would open the gates to such action as I have mentioned, and I do not think that should be done.

Mr. IVES. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. IVES. I should like to ask the Senator whether he thinks the conditions existing today in Hawaii should be met, insofar as legislation is concerned, by special legislation applicable solely to that situation.

Mr. LUCAS. I think the Senator is absolutely correct. I do not believe this is the way to meet the need existing now in Hawaii, but I agree with the Senator that situations of this character can only be considered as a separate matter. If it is as important as the Senator from Nebraska thinks it is, then it seems to me that special legislation should be introduced by him.

Mr. IVES. I take it, then, that the Senator from Illinois would support such legislation, if he thinks it so important.

Mr. LUCAS. Probably I would, depending, of course, upon the nature of the legislation. I am simply trying to keep it out of the national emergency provisions of the present bill.

The VICE PRESIDENT. The question is——

Mr. BUTLER. Mr. President——

The VICE PRESIDENT. A Senator can speak only once in favor of or in opposition to the amendment.

The question is on agreeing to the amendment of the Senator from Nebraska to the Taft substitute, as amended. [Putting the question.]

In the opinion of the Chair, the "noes" have it.

Mr. WHERRY. I call for a division, Mr. President.

On a division, the amendment to the amendment was rejected.

The VICE PRESIDENT. The question now is on agreeing to the substitute offered by the Senator from Ohio, as amended, to titles I, II, and IV of the so-called Thomas substitute, as amended.

Mr. TAFT. Mr. President, I offer a number of purely typographical corrections, perfecting certain details.

The VICE PRESIDENT. They will be stated.

The Chief Clerk read, as follows:

On page 15, line 6, before the word "right", insert "exercise of the."

On page 27, beginning with the word "section" in line 25, strike out over through the word "Code", in line 1 on page 28, and insert in lieu thereof "section 1001 of title 18 of the United States Code."

On page 28, line 20, strike out "section 35A of the Criminal Code" and insert in lieu thereof "section 1001 of title 18 of the United States Code."

On page 30, lines 11 and 12, strike out "(U. S. C., title 28, secs. 723-B, 723-C)" and insert in lieu thereof "or pursuant to section 2072 of title 28 of the United States Code."

On page 35, line 8, strike out "Supp. VII."

On page 35, beginning with the word "courts" in line 23, strike out down through the word "relief", in line 24, and insert in lieu thereof "court shall have jurisdiction to grant such injunctive relief."

On page 47, lines 22 and 23, strike out "the act of February 25, 1871 (16 Stat. 432)" and insert in lieu thereof "section 109 of title I of the United States Code."

On page 56, line 12, strike out "SEC. 206" and insert in lieu thereof "SEC. 208."

On page 57, line 4, strike out "SEC. 207" and insert in lieu thereof "SEC. 209."

On page 57, strike out lines 10 to 13, inclusive, and insert in lieu thereof the following:

"SEC. 401. Section 610 of title 18 of the United States Code is amended to read as follows:".

On page 57, line 14, strike out "SEC. 313" and insert in lieu thereof "SEC. 610."

The VICE PRESIDENT. Without objection, the amendments offered by the Senator from Ohio to his substitute will be voted upon en bloc.

The question is on agreeing to the amendments.

The amendments were agreed to.

The VICE PRESIDENT. The question now recurs on the substitute offered by the Senator from Ohio, as amended.

Mr. MORSE and other Senators asked for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. MALONE (when his name was called). On this vote I have a pair with the Senator from Louisiana [Mr. ELLENDER], who is absent by leave of the Senate on official business. If he were present, he would vote "yea." If I were permitted to vote, I would vote "nay."

The roll call was concluded.

Mr. MYERS. I announce that the senior Senator from Louisiana [Mr. ELLENDER] is absent by leave of the Senate on official business, having been appointed an adviser to the delegation of the United States of America, to the Second World Health Organization Assembly, meeting at Rome, Italy. The pair of the Senator from Louisiana with the Senator from Nevada [Mr. MALONE] has previously been announced.

The result was announced—yeas 49, nays 44, as follows:

YEAS—49

Baldwin	Cain	Eastland
Brewster	Capehart	Ferguson
Bricker	Chapman	Flanders
Bridges	Connally	Fulbright
Butler	Cordon	George
Byrd	Donnell	Gurney

Hendrickson	Maybank	Taft
Hickenlooper	Millikin	Thye
Hoey	Mundt	Tydings
Holland	O'Conor	Vandenberg
Jenner	Reed	Watkins
Johnson, Tex.	Robertson	Wherry
Kem	Russell	Wiley
Knowland	Saltonstall	Williams
McCarthy	Schoeppel	Young
McClellan	Smith, N. J.	
Martin	Stennis	

NAYS—44

Aiken	Johnson, Colo.	Miller
Anderson	Johnston, S. C.	Morse
Chavez	Kefauver	Murray
Douglas	Kerr	Myers
Downey	Kilgore	Neely
Ecton	Langer	O'Mahoney
Frear	Lodge	Pepper
Gillette	Long	Smith, Maine
Graham	Lucas	Sparkman
Green	McCarran	Taylor
Hayden	McFarland	Thomas, Okla.
Hill	McGrath	Thomas, Utah
Humphrey	McKellar	Tobey
Hunt	McMahon	Withers
Ives	Magnuson	

NOT VOTING—2

Ellender Malone

So the amendment offered by Mr. TAFT, for himself, Mr. SMITH of New Jersey, and Mr. DONNELL, as amended, to the so-called Thomas substitute, as amended, was agreed to.

Mr. THOMAS of Utah obtained the floor.

Mr. WHERRY. Mr. President, will the Senator yield so that I may make a motion to reconsider?

Mr. THOMAS of Utah. I yield for a motion.

Mr. WHERRY. Mr. President, I move that the Senate reconsider the vote just taken on this amendment.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Nebraska to reconsider the vote by which the Taft substitute, as amended, was agreed to.

Mr. TAFT. I move to lay the motion on the table.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Ohio to lay the motion of the Senator from Nebraska on the table.

The motion to lay on the table was agreed to.

The VICE PRESIDENT. The Chair would like to state that the only part of the Thomas bill left consists of the first nine lines [laughter], which repeals the Taft-Hartley Act. No amendment is in order to any other part of the bill except those nine lines, except that a substitute for the whole bill, as now amended, is in order, if any Senator wishes to offer it.

Mr. THOMAS of Utah. Mr. President, I thank the Chair for stating the parliamentary situation. The bill has now been changed, as the Chair said, excepting the first two lines. The real name of the Taft-Hartley Act has always been, as stated in the law, the Labor-Management Relations Act of 1947. It has been called the Taft-Hartley Act. The pending bill, if it becomes a law, should be called the Taft Act of 1949. But that would be a misnomer. Therefore, Mr. President, I move that the so-called Thomas substitute be amended by striking out lines 1 and 2 thereof and inserting in lieu thereof that this act may be cited as the Labor-Management Relations Act of 1949.

The VICE PRESIDENT. The Senator offers an amendment, which the clerk will state.

The LEGISLATIVE CLERK. On page 1 of the so-called Thomas substitute, it is proposed to strike out lines 1 and 2, and insert "That this act may be cited as the 'Labor-Management Relations Act of 1949'."

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Utah [Mr. THOMAS].

The amendment was agreed to.

Mr. McKELLAR. Mr. President, I present——

The VICE PRESIDENT. We have not finished action on the pending bill. If there are no further amendments or substitutes to be offered, the question is on the engrossment and a third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The VICE PRESIDENT. The question is, Shall the bill pass?

Mr. LANGER and other Senators requested the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. MALONE (when his name was called). On this vote I have a pair with the Senator from Louisiana [Mr. ELLENDER], who is absent by leave of the Senate on official business. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay."

The roll call was concluded.

Mr. MYERS. I announce that the senior Senator from Louisiana [Mr. ELLENDER] is absent by leave of the Senate on official business, having been appointed an adviser to the delegation of the United States of America to the Second World Health Organization Assembly, meeting at Rome, Italy. The pair of the Senator from Louisiana with the Senator from Nevada [Mr. MALONE] has previously been announced.

The result was announced—yeas 51, nays 42, as follows:

YEAS—51

Baldwin	George	Reed
Brewster	Gurney	Robertson
Bricker	Hendrickson	Russell
Bridges	Hickenlooper	Saltonstall
Butler	Hoey	Schoeppel
Byrd	Holland	Smith, Maine
Cain	Jenner	Smith, N. J.
Capehart	Johnson, Tex.	Stennis
Chapman	Kem	Taft
Connally	Knowland	Thye
Cordon	McCarthy	Tydings
Donnell	McClellan	Vandenberg
Eastland	Martin	Watkins
Ferguson	Maybank	Wherry
Flanders	Millikin	Wiley
Frear	Mundt	Williams
Fulbright	O'Conor	Young

NAYS—42

Aiken	Graham	Johnson, Colo.
Anderson	Green	Johnston, S. C.
Chavez	Hayden	Kefauver
Douglas	Hill	Kerr
Downey	Humphrey	Kilgore
Ecton	Hunt	Langer
Gillette	Ives	Lodge
Long	Magnuson	Pepper
Lucas	Miller	Sparkman
McCarran	Morse	Taylor
McFarland	Murray	Thomas, Okla.
McGrath	Myers	Thomas, Utah
McKellar	Neely	Tobey
McMahon	O'Mahoney	Withers

NOT VOTING—2

Ellender Malone

So the bill (S. 249) was passed.

Mr. WHERRY. Mr. President, I move that the Senate reconsider the vote just taken on the passage of the bill.

Mr. TAFT. Mr. President, I move to lay on the table the motion of the Senator from Nebraska.

The motion to lay on the table was agreed to.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON CONTROL AND ERADICATION OF FOOT-AND-MOUTH DISEASE, UNITED STATES AND MEXICO

A letter from the Secretary of Agriculture, transmitting, pursuant to law, a report on cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease, for the month of April 1949 (with accompanying papers); to the Committee on Agriculture and Forestry.

AMENDMENT OF PUBLIC HEALTH SERVICE ACT, RELATING TO VENEREAL DISEASE RAPID TREATMENT CENTERS

A letter from the Acting Administrator, Federal Security Agency, transmitting a draft of proposed legislation to amend the Public Health Service Act with respect to venereal disease rapid treatment centers, and for other purposes (with an accompanying paper); to the Committee on Labor and Public Welfare.

AUDIT REPORT OF HOME OWNERS' LOAN CORPORATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report of the Home Owners' Loan Corporation, for the fiscal year ended June 30, 1948 (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

AUDIT REPORT OF VETERANS CANTEEN SERVICE

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report of the Veterans Canteen Service, for the period August 7, 1946, to June 30, 1947 (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

AUDIT REPORT OF INLAND WATERWAYS CORPORATION AND SUBSIDIARY CORPORATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report of the Inland Waterways Corporation and subsidiary corporation, for the fiscal year ended June 30, 1947 (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

AUDIT REPORT ON GOVERNMENT SERVICES, INC.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on Government Services, Inc., for the year ended December 31, 1947 (with accompanying papers); to the Committee on Expenditures in the Executive Departments.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of California; to the Committee on Public Works:

"Assembly Joint Resolution 41

"Joint resolution relative to completion of the Four States Highway

"Whereas the Four States Highway linking the United States of America with its neighbors to the north and south, Canada and Mexico, has been in the process of construction for many years; and

"Whereas this important link between three great nations of North America, stretches thousands of miles through forests, mountains, deserts, and plains, thereby opening for travel large scenic areas; and

"Whereas this great highway, when completed, will encourage increased travel among these three nations, thereby promoting greater understanding and friendship among the peoples of the North American Continent; and

"Whereas this highway is also necessary for the defense of the Western Hemisphere and will facilitate a concerted defense of this hemisphere by the three nations in the event of an attack by an aggressor nation; and

"Whereas one of the few uncompleted stretches of the proposed highway is located in Imperial County of this State between the cities of Niland and Blythe through the Chocolate Mountains area; and

"Whereas it has come to the attention of the legislature that a possible obstacle to the completion of this vital link is that the United States Navy may seek to use this area in the Chocolate Mountains region, through which the link will pass, as a bombing range and may therefore demand the abandonment of this stretch of the highway; and

"Whereas there exists in the same general region many other areas that could be used for a bombing range, and which would not interfere with the completion of this link in this great highway: Now, therefore, be it

"*Resolved by the Assembly and the Senate of the State of California (jointly)*, That the Legislature of the State of California respectively memorializes the President, the Secretary of Defense, and the Congress of the United States to complete the construction of the Niland to Blythe link of the Four States Highway; and to locate any bombing range for the use of the United States Navy in an area where such range would not prevent the completion of this highway; and be it further

"*Resolved*, That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Secretary of Defense, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A telegram in the nature of a petition signed by sundry citizens of the United States relating to a reduction of appropriations for military purposes; to the Committee on Appropriations.

A letter in the nature of a petition from the Landlords of America, Atlanta, Ga., signed by William E. Dunn, president, relating to rent controls; to the Committee on Banking and Currency.

A resolution adopted by the Ladies' Auxiliary of Sinai Congregation, Hillside, N. J., protesting against the enactment of legislation providing a change in the present calendar; to the Committee on Foreign Relations.

A resolution adopted by the Municipal Officials Association of South Jersey, Haddonfield, N. J., favoring the enactment of legislation providing a permanent commission on intergovernmental relations; to the Committee on Foreign Relations.

A resolution adopted by the Jewish Community Council, Alexandria, Va., relating to an investigation of the extent to which the denazification program has been defeated; to the Committee on Foreign Relations.

A letter in the nature of a petition from the Pacific War Memorial, Inc., of New York, N. Y., relating to the designation of May 9 of each year as VE-day and September 2 of each year as VJ-day (with an accompanying paper); to the Committee on the Judiciary.

Petitions of sundry veterans, enrolled at the Heart of America Training School, Kansas City, Mo., praying for the enactment of legislation to provide for State supervision of benefits under the GI bill of rights; to the Committee on Labor and Public Welfare.

A resolution adopted by the District of Columbia Federation of Women's Clubs, Washington, D. C., relating to the strike of stevedores in Hawaii; to the Committee on Labor and Public Welfare.

Resolutions adopted by the New Hampshire Dental Society, Manchester, N. H., and the Tennessee State Dental Association, protesting against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

A resolution adopted by the City Council of the City of Cambridge, Mass., favoring the enactment of House bill 4009, the so-called bipartisan national housing bill; ordered to lie on the table.

DEVELOPMENT OF NATURAL RESOURCES OF RIVER BASINS OF NEW ENGLAND STATES—RESOLUTION OF CITY COUNCIL OF WOONSOCKET, R. I.

Mr. GREEN. Mr. President, I present for appropriate reference a resolution adopted by the City Council of Woonsocket, R. I., favoring the enactment of Senate bill 1899, providing for the conservation and development of the natural resources of the river basins in the New England States, introduced by me on May 20, 1949, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

Resolution endorsing United States Senate bill 1899, introduced May 20, 1949, by Senator THEODORE FRANCIS GREEN

Whereas New England and the State of Rhode Island have not had the advantage of over-all development planning, such as that given to other sections and States; and

Whereas a bill has been introduced by Senator THEODORE FRANCIS GREEN of Rhode Island in the United States Senate entitled—

"A bill to aid in the use, conservation, and development of the natural resources of the river basins in the New England States and to establish the New England River Basin Survey Commission

"*Be it enacted, etc.*, That the purpose of this act is (a) to provide for an integrated and cooperative investigation, study, and survey by a commission created pursuant to this act and composed of representatives of certain departments and agencies of the United States, and of certain States enumerated herein, in connection with, and in promotion of, the conservation, utilization, and development of the land and water resources of the river basins of the States of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, and Connecticut in order to formulate a comprehensive and coordinated plan for—

"(1) flood control and prevention;

"(2) pollution abatement and the protection of public health;

"(3) domestic and municipal water supplies;

"(4) improvement and safeguarding of navigation;

"(5) hydroelectric power and industrial development and utilization;

"(6) soil conservation and utilization;

"(7) forest conservation and utilization;

"(8) preservation, protection, and enhancement of fish and wildlife resources;

"(9) development of recreation; and

"(10) other beneficial and useful purposes not herein enumerated": Now, then, be it

Resolved, That we, the members of the City Council of Woonsocket, in order to promote the general welfare and greater prosperity of our city and its people by the fullest possible use of all our natural resources, hereby endorse said bill S. 1899 with such amendments as may more effectively accomplish the intent of said bill, and be it further

Resolved, That the city clerk of the city of Woonsocket be and hereby is directed to forward a copy of this resolution to each of our Senators and Representatives in Congress and to the clerk of the Senate Committee on Public Works.

ALEXANDER J. MARCHUT.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURRAY, from the Committee on Labor and Public Welfare:

H. R. 3151. A bill to amend the Federal Food, Drug, and Cosmetic Act of June 25, 1938, as amended, by providing for the certification of batches of drugs composed wholly or partly of any kind of aureomycin, chloramphenicol, and bacitracin, or any derivative thereof; without amendment (Rept. No. 600);

H. J. Res. 228. Joint resolution authorizing an appropriation for the work of the President's Committee on National Employ the Physically Handicapped Week; without amendment (Rept. No. 601); and

S. Con. Res. 17. Concurrent resolution providing for expansion and intensification of public health research on the family aspects of chronic illnesses; without amendment (Rept. No. 599).

By Mr. McCARRAN, from the Committee on the Judiciary:

S. J. Res. 2. Joint resolution proposing an amendment to the Constitution of the United States providing for the election of President and Vice President; with an amendment (Rept. No. 602).

By Mr. MAYBANK, from the Committee on Banking and Currency:

S. 2085. A bill to amend the Employment Act of 1946 with respect to the Joint Committee on the Economic Report; with amendments (Rept. No. 603).

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MARTIN:

S. 2172. A bill to make reclaimed lubricating oils subject to the excise tax on lubricating oils; to the Committee on Finance.

S. 2173. A bill for the relief of Giuseppe and Edward Moschetti; to the Committee on the Judiciary.

By Mr. TYDINGS:

S. 2174. A bill to authorize the Departments of the Army, Navy, and Air Force to participate in the transfer of certain real property

or interests therein, and for other purposes; to the Committee on Armed Services.

By Mr. DOUGLAS:

S. 2175. A bill for the relief of Eivind Hognestad; and

S. 2176. A bill for the relief of Dr. Bei Tse Chao and his wife, May Chao; to the Committee on the Judiciary.

(Mr. DOUGLAS (for himself, Mr. GRAHAM, Mr. MCCARTHY, and Mr. FLANDERS) introduced Senate bill 2177, to create, and assign duties to, the office of Assistant Secretary of the Navy for the Marine Corps, and to fix the personnel strength of the United States Marine Corps in relation to that of the other armed forces, which was referred to the Committee on Armed Services, and appears under a separate heading.)

By Mr. CAIN:

S. 2178. A bill authorizing the construction of a flood-control project along the lower Columbia River, as recommended by the Board of Engineers for Rivers and Harbors under date of February 21, 1949; to the Committee on Public Works.

By Mr. KNOWLAND:

S. 2179. A bill for the relief of Stephen A. Patkay and his wife, Madeleine; to the Committee on the Judiciary.

By Mr. MAGNUSON:

S. 2180. A bill authorizing certain works for the improvement of navigation, the control of floods, and the conservation and utilization of the waters of the Columbia River and its tributaries, and for other purposes; to the Committee on Public Works.

Mr. PEPPER. Mr. President, on behalf of the Senator from California [Mr. DOWNEY], the Senator from Oklahoma [Mr. THOMAS], the Senator from North Dakota [Mr. LANGER], the Senator from Idaho [Mr. TAYLOR], and myself, I introduce for appropriate reference a bill which is popularly known as the Townsend bill.

The VICE PRESIDENT. The bill will be received and appropriately referred.

By Mr. PEPPER (for himself, Mr. DOWNEY, Mr. THOMAS of Oklahoma, Mr. TAYLOR, and Mr. LANGER):

S. 2181. A bill to provide every adult citizen in the United States with equal basic Federal insurance, permitting retirement with benefits at age 60, and also covering total disability, from whatever cause, for certain citizens under 60; to give protection to widows with children; to provide an ever-expanding market for goods and services through the payment and distribution of such benefits in ratio to the Nation's steadily increasing ability to produce, with the cost of such benefits to be carried by every citizen in proportion to the income privileges he enjoys; to the Committee on Finance.

By Mr. KILGORE:

S. J. Res. 113. Joint resolution to provide for collecting and publishing the writings of Abraham Lincoln and Woodrow Wilson; to the Committee on Rules and Administration.

CONTINUATION OF UNITED STATES MARINE CORPS

Mr. DOUGLAS. Mr. President, on behalf of the Senator from North Carolina [Mr. GRAHAM], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from Vermont [Mr. FLANDERS], and myself, I introduce for appropriate reference a bill to guarantee the continuation of the United States Marine Corps as a fighting element in our armed forces, and I ask unanimous consent that the bill, together with an explanatory statement by me be printed in the RECORD.

The VICE PRESIDENT. The bill will be appropriately referred, and, without objection, the statement presented by the Senator from Illinois will be printed in the RECORD.

The bill (S. 2177) to create, and assign duties to, the office of Assistant Secretary of the Navy for the Marine Corps, and to fix the personnel strength of the United States Marine Corps in relation to that of the other armed forces, introduced by Mr. DOUGLAS (for himself, Mr. GRAHAM, Mr. MCCARTHY, and Mr. FLANDERS), was read twice by its title, referred to the Committee on Armed Services, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That there shall be in the Department of the Navy an Assistant Secretary of the Navy for the Marine Corps who shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive the same compensation as the other Assistant Secretaries of the Navy. The Assistant Secretary of the Navy for the Marine Corps shall, under the direction of the Secretary of the Navy, be charged with the supervision of the United States Marine Corps and the coordination of its activities with other governmental agencies, and, in addition, such other duties as may be assigned to him by the Secretary of the Navy.

SEC. 2. The first sentence of section 206 (c) of the National Security Act of 1947 is hereby amended to read as follows: "The United States Marine Corps, within the Department of the Navy, shall include land combat and service forces and such aviation as may be organic therein, and the personnel strength of the Regular Marine Corps shall be maintained at not less than 6 percent of the combined personnel strengths of the Regular Army, the Regular Navy, and the Regular Air Force."

The statement presented by Mr. DOUGLAS is as follows:

STATEMENT BY SENATOR DOUGLAS

The bill provides that the strength of the Marine Corps shall be fixed at 6 percent of the combined strength of the Army, Navy, and Air Force services and that there shall be an Assistant Secretary of the Navy in charge of Marine Corps activities.

An identical bill is being introduced today in the House of Representatives by Congressman MIKE MANSFIELD, of Montana, and is being sponsored by 56 Congressmen. Both bills carry out the suggestion made by Admiral William F. Halsey on June 10 that the continuance of the Marine Corps be assured by fixing its strength at 6 percent of the combined personnel of the other branches of the armed forces.

I do not believe that any extended argument on behalf of this bill is needed. The Marine Corps has made its record in combat, and has established a noble and living tradition of skill in battle and a complete readiness to die for our country. We believe that this tradition should be continued and that under no condition should service jealousies be allowed to put it to death or reduce it to purely guard duties. There is still abundant work for the Marine Corps to do. It does not ask for elaborate equipment or soft service. It only asks for the chance to be assigned on the most dangerous of missions and to do its duty with fidelity. We have every confidence in the pledged word of the present Secretary of Defense that the Marine Corps will not be abolished. But new Secretaries will take office in the future and of them we cannot be certain. We know that there are powerful forces which would like to do away with the Marine Corps or reduce it to purely guard duties. We are confident the American public does not want this to occur.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H. J. Res. 284) making temporary appropriations for the fiscal year 1950, and for other purposes, was read twice by its title, and referred to the Committee on Appropriations.

AMENDMENT OF INTERNAL REVENUE CODE—AMENDMENTS

Mr. WILLIAMS submitted four amendments intended to be proposed by him to the bill (H. R. 3905) to amend section 3121 of the Internal Revenue Code, which were ordered to lie on the table and to be printed.

RETIREMENT OF MAJ. GEN. WILTON B. PERSONS—TRIBUTE BY SENATOR BRIDGES

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD a statement by him in tribute to Maj. Gen. Wilton B. Persons on his retirement from the Regular Army June 30, 1949, which appears in the Appendix.]

THE LONGSHOREMEN'S STRIKE IN HAWAII—EDITORIAL COMMENT

[Mr. BUTLER asked and obtained leave to have printed in the RECORD two editorials, one entitled "American Call to Arms," from the Honolulu Advertiser of June 25, 1949, and the other entitled "Hawaii Blockaded," published in the Long Beach (Calif.) Independent of June 27, 1949, which appear in the Appendix.]

THE LABOR BILL—TELEGRAM FROM JAMES C. PETRILLO TO SENATOR DOUGLAS

[Mr. DOUGLAS asked and obtained leave to have printed in the RECORD a telegram from James C. Petrillo, president, American Federation of Musicians, sent to him under date of June 20, 1949, which appears in the Appendix.]

REFORM IN PROCEDURE BEFORE CONGRESSIONAL COMMITTEES—NOTICE OF HEARING

Mr. MYERS. Mr. President, I announce for the information of the Members of the Senate that on July 14, 1949, at 10 o'clock a. m. a subcommittee of the Committee on Rules and Administration will begin open hearings on Senate Concurrent Resolution 2, submitted by the senior Senator from Illinois [Mr. LUCAS], which pertains to a reform in procedure before congressional committees. Time will be reserved for testimony of any Senator who desires to appear. As chairman of the subcommittee, I suggest that any Senator who desires to testify communicate with the clerk of the Committee on Rules and Administration.

LEAVES OF ABSENCE

Mr. GEORGE was granted leave to be absent from the Senate Tuesday and Wednesday of next week.

Mr. GURNEY was granted leave to be absent from the Senate on Tuesday, July 5.

REMOVAL OF EXCISE TAXES—STATEMENT BY SENATOR WILEY

Mr. WILEY. Mr. President, I send to the desk a statement which I have prepared on the subject of excise tax repeal. I ask unanimous consent that it be printed in the body of the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

"When is Congress going to take the nuisance tax off our backs?" This is a question which has been submitted to me in hundreds of letters which I have received from Wisconsin and other States of the Union. As I have previously reported to my colleagues on May 3 and other occasions, the people of our Nation insist that the ridiculous and burdensome system of excise taxes be completely revamped.

Our people are sick and tired of paying through the nose these nuisance taxes every time they buy the simple necessities of life. Our women are tired of paying so-called luxury taxes on baby lotions, hair shampoos, face creams, lipsticks, face powder, and hundreds of other items that women utilize.

A druggist in Centuria, Wis., wrote to me: "I am for your tax-repeal bill 100 percent. I wish every Senator would be for this bill. Mothers will not buy baby lotions on account of the tax, and baby lotions are essential for every baby. I never heard of a baby being a luxury."

MANY ITEMS COVERED BY MY BILLS

In addition to attempting to wipe out the above nuisance taxes, I have introduced legislation to repeal the wartime rate of 20 percent on jewelry, 25 percent on long-distance phone calls, 25 percent on telegrams, 15 percent on local telephone service, 15 percent on transportation of persons, 20 percent on electric bulbs, 20 percent on furs, 20 percent on dues or membership fees. In addition, my bills, including my amendment to H. R. 2033, would wipe out the wartime rates on leather goods, camera equipment, gasoline and lubricating oils, musical instruments, cooking appliances, sporting goods, insurance policies, safe-deposit boxes, religious entertainment, autos, radios, refrigerators, air conditioners, tires, tubes, agricultural and other fairs, etc.

Let me summarize the case, as I see it for tax repeal:

CUT UNITED STATES EXPENSES

1. Everyone recognizes that Uncle Sam is having tough budgetary problems. We are faced with a $44,000,000,000 budget, and, obviously, considered revenue is needed in order to cover expenses. At the same time, we feel that so long as we keep providing the administration with huge amounts of revenue through these taxes it will continue to urge not less expense but even higher Federal appropriations. The same administration which screams in phoney horror against excise-tax repeal wants to saddle a $5,000,000,000 or $10,000,000,000 socialized medicine cost on the Nation. We say, therefore, "cut away some of the administration's income and perhaps that will serve to put pressure on the administration to cut Federal expenditures."

ATTACK EXCISES ON ALL-OUT BASIS

2. We feel that we must attack the excise-tax problem on a broad front. We cannot simply pass an excise-tax bill to repeal, let us say, a single excise tax on a single item, like cosmetics or repeal a few taxes as the Senate Finance Committee has recommended. One excise tax is almost as big a nuisance as another. Why should we discriminate between them? Why should we repeal the burden on one businessman and not repeal the burden on another? I, for one, cannot say which particular tax hurts most, which tax is the greatest burden to folks in the low-income brackets, so I say, "let's wipe the slate clean and then reevaluate the whole situation."

EXCISE TAXES ARE CRAZY PATCHWORK

3. The excise-tax structure as it now exists is a crazy patchwork. One item is taxed at 15 percent, another item at 20 percent, and still another item at 25 percent. Who can justify the complete arbitrariness of this tax set-up?

HIGH TAXES CAUSE RECESSION

4. High taxes are helping to contribute to the present recession in which our Nation finds itself. Retailers find that they are unable to move their stocks because our people simply won't buy items whose cost is heavily increased by excise taxes amounting to one-fifth or one-sixth of the total cost. Whole industries are on the financial rocks because of these excise burdens.

Not only our businessmen are suffering, but workers are being thrown out of jobs. An A. F. of L. union secretary in West Bend, Wis., wrote to me:

"I want to personally thank you for your efforts toward the repeal of the tax on personal leather goods. You are on the right track, for our jobs in the leather factory that I am an employee of will benefit greatly by that bill."

He then went on to point to the critical unemployment problem that the leather-goods industry is facing.

FIGHTING FOR ECONOMY

5. We are financial realists. As I have pointed out, those of us who are fighting for excise-tax repeal recognize that we simply cannot wipe out all taxes in view of the heavy cost of Government these days. At the same time, we are seeking Federal economy by, for example:

A. Fighting for enactment of the Hoover Commission recommendations (and by that I don't mean watered-down recommendations arbitrarily selected, but the real meat of the Hoover reports).

B. Fighting for Senate Joint Resolution 108 (of which I am cosponsor), which is designed to cut from two to four billion dollars from the Federal budget.

On previous occasions I have quoted from letters which I have received from department-store managers, photographers, druggists, gift-shop owners, jewelers, and literally dozens of other occupations and professions whose members are hamstrung by these excise taxes.

GRASS ROOTS OF WISCONSIN ENDORSE WILEY BILL

I should like at this point to quote some additional excerpts from letters recently received. I feel that these communications straight from the hearts of the people of Wisconsin and of America express better than I can the importance of speedy action. These people are not asking for anything special. They are willing to pay their way. They are patriotic. They want to help their Government meet its financial problems. At the same time, they recognize that excise taxes are at such a terribly high level now that actually to reduce them or to repeal them entirely would be to increase tax revenue to Uncle Sam. The reason for that is obvious. If there is a greater amount of purchases of goods, more taxes will come in.

HOUSE OF REPRESENTATIVES MUST ACT

I hope the people of the United States will continue to write to their Congressmen and Senators urging action on this front. Since revenue legislation is involved, action must be started over in the House of Representatives rather than in the United States Senate, because of course under our United States Constitution, the Senate cannot take initial action in this field. There is enough time for the Congress to keep faith with the American people and fulfill its promise to remove wartime taxes. Let Congress take these nuisance taxes from the backs of the overburdened taxpayer.

EXCERPTS FROM WISCONSIN LETTERS

A small-business man in Milwaukee endorses Wiley bill:

"Please accept my thanks for the wonderful work and interest you have taken in our behalf—introducing bill S. 1029. * * * I can truthfully say, Senator, that if this bill S. 1029 is not passed, it will either break or make crooks out of most businessmen."

A manufacturer in Wisconsin Rapids sends his congratulations:

"Thank you for mailing me the printed copy covering your remarks on the nuisance tax. I have read the contents of this paper sent me and want to congratulate you and say 'well done.' * * * It is nothing short of criminal to tax the people of this country whose incomes are in the lower brackets, when others who can better afford it go scot free. There are many items that do not have an excise tax, and yet the poor woman who buys the cheapest kind of a cooking stove is forced to pay 10 percent excise tax. * * * Keep up the good work, Senator, because we need you. The tax burden in this country is becoming unbearable."

A musicians' union secretary in Kenosha emphasizes importance of tax relief:

"The 20 percent entertainment tax is also doing a good job of exterminating amusement places and thereby creating unemployment for musicians, waiters, etc. Many clubs throughout the country have been forced to close because of this tax. * * * Please rest assured that we are behind you 100 percent in trying to eliminate this tax. I know that the American Federation of Musicians will be extremely grateful to you and we take our hat off to you for rendering a great service to the American public."

A past president of Wisconsin Beauty Parlor Association writes:

"I wish to express my personal gratitude to you for your interests on this measure. In our beauty profession we have been paying excise tax on the items that we actually use to do business with. In other words our tools in the beauty profession—our solutions, creams, etc. * * * So your kind help in aiding to repeal the excise tax would certainly give us beauticians a fairer chance to make a just living. * * * I'm sure that all the beauticians are in accord with me in this, my personal expression to you."

A rubber-mill executive in La Crosse endorses Wiley economy and tax-cut efforts:

"I received in this morning's mail a copy of your remarks entitled 'Give the Ax to Nuisance Tax.' I have also followed with a great deal of pleasure, your general policy of cutting taxes wherever you see it possible; also your position on Hoover Commission recommendations and I wish to compliment you on the fine work you are trying to do. * * * I am inclined to believe that you are going to find a tremendous support to your activities from numerous individuals as there is no question that many of these wartime measures are very expensive, aggravating, and unnecessary and it is about time some clear-thinking men have the courage to stop some of this waste in Government."

TEMPORARY APPROPRIATIONS FOR THE FISCAL YEAR 1950

Mr. McKELLAR. Mr. President, from the Committee on Appropriations I report favorably House Joint Resolution 284, making temporary appropriations for the fiscal year 1950, and for other purposes, already passed by the House of Representatives and approved by the Senate Committee on Appropriations.

Mr. President, all the appropriation bills have not yet been passed, and this joint resolution is proposed merely for the purpose of providing for payment of officers and employees of the Government during July. It is unanimously reported by the committee, and I ask

unanimous consent for its immediate consideration.

The VICE PRESIDENT. Is there objection?

Mr. LODGE. Mr. President, I inquire if this joint resolution be open to amendment?

The VICE PRESIDENT. It will be. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 284), making temporary appropriations for the fiscal year 1950, and for other purposes.

Mr. McKELLAR. Mr. President, this joint resolution is merely for the purpose of providing for the payment of officers and clerks of the Government during the month of July. It is what is known as a continuing resolution, providing for appropriations until all the appropriation bills have been passed. We hope to get the appropriation bills all passed during the month of July. That will be quite a job, but we hope to accomplish it, and I think we can. Under these circumstances I think no Senator will object to the passage of the continuing resolution.

Mr. LODGE. Mr. President, I certainly do not object to the passage of this joint resolution; on the contrary, I favor it, and I fully appreciate its necessity. It is so necessary that I believe it is a piece of legislation which is sure to pass. That is one of the reasons which impels me to offer an amendment to it, because I think the only way in which I can ever get this amendment before the Senate is to offer it to a piece of legislation which is sure to pass. So I move to amend the joint resolution by adding at the proper place the following provision:

No part of any funds appropriated for improvements affecting the Senate wing of the Capitol shall be used to make any alterations in the appearance of the Senate Chamber, whether by changing any desks, chairs, rostrum, couches, or other furnishings, wall decorations, color of the rug, or otherwise, except to the extent that repairs to the roof or improvements in lighting or accoustics, require such alterations.

Mr. President, I believe there are many Members of the Senate who do not realize that after we leave this Chamber and move into the old Supreme Court room this whole place is to be done over, and when we return to it we will not recognize it any longer. It is not merely a question of fixing the roof, it is not merely a question of improving the acoustics and installing indirect lighting. That is all right. All these pilasters and all this painting work will be taken away, and the Senate will be made to look like the inside of a bank. There is to be a different kind of floor. The whole appearance of this Chamber, in which so much that is wonderful in American history has taken place, is to be changed. Senators can go downstairs to the office of the Architect of the Capitol and there see very classy drawings and paintings which illustrate what I have said.

In talking with Senators I find that very few of them realize that the changes I have indicated are what is to be done. Most Senators think we are to move out of this Chamber in order to have the roof repaired and that would be all right. They think we are to leave these quarters in order that the ventilation and acoustics may be improved, and that better lighting may be installed, and that is all right. Most Senators with whom I have talked do not realize that there is a scheme on foot completely to change the whole appearance of the Senate Chamber. I think that is unnecessary, I think it is presumptuous, and I think it is in bad taste. I think the whole idea that the Fine Arts Commission can tell us what we ought to do in a matter involving the history and tradition of the Senate is away out of line.

Mr. President, so far as I know, this change in the decoration of the Senate has never been approved by any committee. I am so advised. The only way I know of to stop it is to offer an amendment to an appropriation bill. The funds for this purpose have been appropriated. It is for these reasons that I offer the amendment.

I ask that the amendment be stated once more so that the Senate may know what it is I propose.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. It is proposed to insert at the proper place the following:

No part of any funds appropriated for improvements affecting the Senate wing of the Capitol shall be used to make any alterations in the appearance of the Senate Chamber, whether by changing any desks, chairs, rostrum, couches, or other furnishings, wall decorations, color of the rug, or otherwise, except to the extent that repairs to the roof or improvements in lighting or acoustics require such alterations.

Mr. McKELLAR. Mr. President, I regret very much that the Senator from Massachusetts has offered this amendment. The measure before the Senate is an emergency joint resolution, similar to one passed practically every 2 years. The House has already passed this joint resolution, and the employees of the Government will know that they will receive their money, if the joint resolution shall be enacted. If it has to go back to the House, we do not know whether it will be passed there or not, and it will have to go back to the House if the amendment shall be agreed to. I hope it will not be agreed to. I thought at first that it was subject to a point of order, but I am not sure about that. I make the point of order, so that we can get a ruling on it.

The VICE PRESIDENT. The Senator from Tennessee makes the point of order that the amendment is not in order on the measure now before the Senate. The Chair thinks it is not in order under the rule of the Senate that amendments to appropriation bills must be germane. The Chair thinks it is not in order, but the Chair thinks that under the rule he will have to submit the question to the Senate without debate. It is not subject to debate.

Mr. LODGE. Mr. President, a parliamentary inquiry. What is not subject to debate?

The VICE PRESIDENT. The point of order.

Mr. LODGE. Under what rule does the Chair say that a ruling of the Chair is not subject to debate?

The VICE PRESIDENT. Rule 16, paragraph 4, which provides——

Mr. LODGE. Mr. President, I appeal from the ruling of the Chair.

The VICE PRESIDENT. Under that rule and paragraph, an amendment to a general appropriation bill is not in order if it is not germane. The question of germaneness is submitted to the Senate.

Mr. LODGE. No——

The VICE PRESIDENT. The question is whether the Senate concurs in the ruling of the Chair, which is not subject to debate.

Mr. LODGE. The question of appeal is debatable.

The VICE PRESIDENT. Certainly the question of appeal is debatable.

Mr. LODGE. I appeal. I regret very much——

The VICE PRESIDENT. The Chair is unable to understand how an appeal from the obvious meaning of the rule is in order. The Chair will ask the Secretary——

Mr. LODGE. We have come to a sorry pass in the Senate when we cannot appeal from the decision of the Chair.

The VICE PRESIDENT. The Chair asks the Secretary to read the rule.

The CHIEF CLERK. Rule 16, paragraph 4:

And all questions of relevancy of amendments under this rule, when raised, shall be submitted to the Senate and be decided without debate; and any such amendment or restriction to a general appropriation bill may be laid on the table without prejudice to the bill.

Mr. LODGE. Mr. President, the President did not submit it to the Senate.

The VICE PRESIDENT. The Chair is about to submit it to the Senate, if the Senator from Massachusetts will give him an opportunity.

Mr. LODGE. I thought the Senator from Massachusetts had the floor.

The VICE PRESIDENT. The point of order is not subject to debate.

Mr. McKELLAR. The Senator from Tennessee had the floor and yielded to the Senator from Massachusetts to present his amendment.

The VICE PRESIDENT. The Senator from Tennessee had the floor, and the Senator from Tennessee made the point of order. The point of order on the question of germaneness is not subject to debate. The Chair submits to the Senate the question: Is this amendment under the rule germane? [Putting the question.] In the opinion of the Chair, the noes have it.

Mr. LODGE. Mr. President, I ask for a division.

The VICE PRESIDENT. Those who favor the germaneness of the amendment will rise and remain standing until counted. Those who oppose will likewise rise and remain standing until counted.

The decision of the Senate is that the amendment is not germane.

Mr. LODGE. I suggest the absence of a quorum.

The VICE PRESIDENT. The Chair has announced the result. The suggestion of the absence of a quorum is always in order, but it will have no effect upon the vote.

Mr. LODGE. I suggest the absence of a quorum anyway.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hoey	Mundt
Anderson	Holland	Murray
Baldwin	Humphrey	Myers
Brewster	Hunt	Neely
Bricker	Ives	O'Conor
Bridges	Jenner	O'Mahoney
Butler	Johnson, Colo.	Pepper
Byrd	Johnson, Tex.	Reed
Cain	Johnston, S. C.	Robertson
Capehart	Kefauver	Russell
Chapman	Kem	Saltonstall
Chavez	Kerr	Schoeppel
Connally	Kilgore	Smith, Maine
Cordon	Knowland	Smith, N. J.
Donnell	Langer	Sparkman
Douglas	Lodge	Stennis
Downey	Long	Taft
Eastland	Lucas	Taylor
Ecton	McCarran	Thomas, Okla.
Ferguson	McCarthy	Thomas, Utah
Flanders	McClellan	Thye
Frear	McFarland	Tobey
Fulbright	McGrath	Tydings
George	McKellar	Vandenberg
Gillette	McMahon	Watkins
Graham	Magnuson	Wherry
Green	Malone	Wiley
Gurney	Martin	Williams
Hayden	Maybank	Withers
Hendrickson	Miller	Young
Hickenlooper	Millikin	
Hill	Morse	

The VICE PRESIDENT. A quorum is present. The question is on the passage of the joint resolution.

Mr. LODGE. Mr. President, as I understand, the joint resolution is open to unlimited debate, and I intend to have a few words to say about it. It seems to me that the attitude which has been taken about this amendment of mine is not very courteous. I think the proposal I make is entitled to consideration on its merits, and that it is never a good way to meet a question by invoking technicalities and points of order and saying an amendment is not germane, and thus trying to get rid of it. We never get anywhere in the Senate of the United States by trying to choke a Senator off. Whenever an attempt is made to choke a Senator off on the floor it results in that Senator talking much longer than he would have talked in the first place.

It would have been a very simple thing for the Senator from Tennessee to have accepted this amendment. It would not take any time in conference at all. The Members of the House certainly are not going to object to some decision we make here about the interior decoration of this Chamber. It is inconceivable that it would cause any delay at all. I do not want to cause any delay in the passage of the joint resolution. I realize that its provisions are good, and that we must pass it.

Here is a chance to save some money, Mr. President; $2,300,000 has been appropriated to do over this Chamber. If we do only the things that are necessary for lighting and acoustics and ventilation, we can save all the rest of the money which is going into marble, cut stone, and plaster moldings, and I do not know what.

Mr. BALDWIN. Mr. President, will the Senator yield for a question?

Mr. LODGE. I yield to the Senator from Connecticut.

Mr. BALDWIN. I understand that under the plans which are contemplated it is proposed to dispose of the glass panels in the ceiling of the Senate Chamber. Does the Senator know what is going to be done with them?

Mr. LODGE. There will be taken out all those interesting glass panels, which have been in the ceiling of the Senate Chamber since 1859, and which I imagine are absolutely irreplaceable. They are very quaint. They reflect the great days of the past. They are to be taken out, and in their place inverted bowls to give indirect lighting are to be installed.

Mr. BALDWIN. Is this going to be the Yale Bowl or the Harvard Stadium?

Mr. LODGE. I do not know what kind of a bowl it will be.

Mr. BALDWIN. Does the Senator know what is to be done with the glass inserts?

Mr. LODGE. I do not know what is to be done with them. I do not think any provision has been made for them. The Senator can go downstairs to the office of the Architect of the Capitol and see a number of gaudy paintings showing what is proposed to be done.

Mr. BALDWIN. Has the Senator been in the office of the distinguished Vice President and seen there the small pieces of glass window lights which came from the British House of Parliament, and which are so very highly treasured? One of them has been delivered to us, and we treasure it here. Has the Senator seen the piece of glass which was knocked out by the air raids?

Mr. LODGE. I have seen it, and I am proud enough of this building and this Chamber to express the hope that at least an equal amount of sentiment will attach to these stained-glass panels. But when I talk with the men who are responsible for this work I get the impression that they feel that everything that was done in 1859 was bad and must be thrown away. Unless this discussion had taken place today, they would probably have thrown away all the glass panels, because they think they are ugly.

Mr. BALDWIN. Does the Senator remember that on the ledge as we go out of the Senate Chamber there are some snuff boxes which have been there since 1859? I do not ask the Senator if he uses snuff, but apparently some of our predecessors did. Does the Senator know what disposition is to be made of those snuff boxes?

Mr. LODGE. I do not know what is going to happen to the snuff boxes. I do not know what is going to happen to the little bottles on our desks which contain sand.

I do not see why there should be any change whatever. If we can get this Chamber on a practical basis from the standpoint of acoustics, lighting, and ventilation, I think we shall have done all we need to do. We have an opportunity to save some money. I do not know exactly how much. The Architect of the Capitol does not seem able to furnish me the figures. A week ago I asked for a break-down of the figures. The sum total is $2,300,000. Obviously, if the entire decorative scheme is not to be done over, we can save a substantial part of that sum. If this proposal is not germane to an appropriation bill, I should like to know to what it is germane. I realize that that is not a parliamentary question, and that neither the Presiding Officer nor the chairman of the Appropriations Committee has to answer it, and I am very sure that they will not answer it. I pause. I get no answer.

The VICE PRESIDENT. If the Senator from Massachusetts wants the Chair to answer it, the Chair will answer it.

Mr. LODGE. I should like very much to have the Chair answer it.

The VICE PRESIDENT. Under the rule of the Senate, an amendment to a general appropriation bill must be germane, or at least the question of germaneness must be submitted to the Senate when a point of order is made. The chairman of the Committee on Appropriations is under general instructions from that committee to make a point of order against amendments which are either legislative proposals in appropriation bills or which are not germane. The Senator from Tennessee [Mr. MCKELLAR] made the point of order. The Chair submitted the question to the Senate, and the Senate decided that the amendment was not germane.

Mr. LODGE. The Senate decided it without having heard a single word of debate on the subject.

The VICE PRESIDENT. The rule provides that the question shall be decided without debate.

Mr. LODGE. The Senator from Massachusetts was choked off completely.

The VICE PRESIDENT. The Chair would like to have the Senator from Massachusetts, for whom the Chair has the greatest respect and affection, understand that it was not the Chair who choked off the Senator. It was the rule adopted by the Senate.

Mr. LODGE. I did not say that the able Vice President choked the Senator from Massachusetts off. I merely say that he was choked off. The result was that no discussion was possible as to whether this amendment was germane or not. I think it is germane, for this reason: We have appropriated the funds to redecorate the Chamber. What I am trying to do is to stop the use of appropriated funds for this purpose. The whole question concerns appropriations. If we do not make this an amendment to an appropriation bill, there is no other way to get at it that is as germane as that. That is what I wanted to say when I was choked off.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. LODGE. I yield.

Mr. LONG. In order that Senators may make plans for the week-end, can the Senator tell us whether or not he is planning to filibuster on this question?

Mr. LODGE. The Senator from Louisiana is a pretty good expert on filibustering, and he ought to be able to answer that question better than I can. He comes from an area where filibustering is made a career. I will say to the Senator

from Louisiana that I come from a section of the country where filibustering is detested. A large part of my efforts since I have been a Member of the Senate has been directed toward discouraging filibusters, and amending the rules of the Senate so as to stop filibustering, to which proposal the Senator from Louisiana was opposed. My effort has been directed in every way to get the Senate to function as a modern legislative body.

In my view a modern legislative body is a body which can deal with the problems of the hour, and not a body which paints itself all over and tries to look modern with the kind of interior decoration which is proposed. That is not modernism. A modern legislative body, a modern Senate, is a Senate which can meet the issues and cope with the problems of the hour—with such questions as civil rights, which the Senator from Louisiana does not want to meet, and against which the Senator from Louisiana filibusters.

The Senator from Louisiana does not have to worry about my filibustering. I have never made a speech more than 20 minutes long, and I shall not do so now. The Senator can catch his train. He does not need to worry.

Mr. HUNT. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. HUNT. In view of the fact that there are occasions in the Senate when certain Members speak at great length, it would be most helpful to them, I am sure, if we had a sound system in the Senate. Does the Senator from Massachusetts have any opinion on that subject?

Mr. LODGE. I think it would be a fine thing, if I correctly understand the Senator from Wyoming, if we had better acoustics in this Chamber. If that means putting in new construction, I am for putting in new construction. All I say is that we should retain the present interior decorative style, save some money, and save some traditions. These things have some value. If a little piece of window from the British House of Parliament is framed in the Vice President's office, it seems to me that the least we can do is to preserve the appearance of this Chamber.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. BALDWIN. First I wish to thank the Senator for his efforts in trying to preserve appearance of the Senate Chamber. I ask the Senator whether or not the proposed plans for changing the Chamber have ever been referred to or considered by any committee of the Senate itself. I wonder if there is any committee of the Senate which has the matter under consideration, and which has conferred and advised with the Fine Arts Commission.

Mr. LODGE. My understanding is that this happened during the war, when neither the Senator from Connecticut nor the Senator from Massachusetts was a Member of the Senate. I do not think it was referred to any committee during this Congress, or during the Eightieth Congress.

I have talked with a great many Senators about this subject. None of them have the foggiest idea of what is contemplated. So I get the impression that the subject has not been very carefully studied by Members of this body. If any Senator has seen the plans and has all the details, and knows all about the marble work and fretwork, I do not know it. I understand there is to be an inscription over the Vice President's rostrum. Senators had better go downstairs and look at it. If any Senator knows all about the details, I wish he would tell me about them. I cannot find any Member of the Senate who really favors this change, or who really understands it.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. HAYDEN. I have previously made inquiry of the Architect of the Capitol as to what was expected to be done between now and next January. My understanding is that nothing below the gallery level in this Chamber is to be changed at this time. Some sort of paper is to be placed on the wall behind the galleries to improve the acoustics. I do not know the details. I understand that later there are to be changes in the seats in the galleries; but so far as the Chamber itself is concerned, below the gallery level, nothing is to be done during the recess of the Senate, between the time we leave the Chamber and the time when we return in January.

Mr. LODGE. As the Senator knows, contracts are to be made for all the marble work, the cast plaster, and other work, so that we shall be committed to the entire redecorating scheme unless we do something about it.

I ask the Senator from Arizona, who has had a great deal of experience in the conduct of Government, whether it is not true that in the case of funds which have been appropriated for a certain purpose, the most germane way to deal with the question is by an amendment to an appropriation bill, because it is a question of appropriations which is involved.

Mr. HAYDEN. I cannot agree with the Senator. I think the ruling of the Chair was correct in this instance, because there is nothing in the pending joint resolution relating to that subject. If there are no funds in this measure for that purpose, such an amendment would not be germane.

Mr. LODGE. Of course, there are funds in the joint resolution for all the purposes of Government, and that includes this project. Let us be candid about it. There is no use in telling me to introduce a bill. I have been here long enough to know that that would be what the late Al Smith would have called "hocus bolonus." The bill would be referred to a committee and would remain there.

There is no use in telling me to offer my amendment to some bill on the calendar. It would be thrown out on a point of order, and it would never get through the House.

The only place I can bring this question up is in connection with an appropriation measure. If the appropriation bill relating to the legislative establishment has already gone through, I cannot bring it up at all. The fact is that this is just as good an appropriation measure as any to try to attach the amendment to.

Mr. HAYDEN. But unfortunately the subject matter is not germane to this resolution.

Mr. LODGE. I submit that the subject matter is germane, because the resolution relates to the salaries of employees for all branches of the Government. It touches the entire Government. My amendment deals directly with appropriations, and the only measure in which we can deal with the matter of appropriations is an appropriation bill or joint resolution.

That is the argument of germaneness which I wished to make to the Senate before the Senate voted on the question of germaneness. But through some legerdemain, I was not allowed to explain the question until we had voted.

Of course, I know there are some persons who like to have votes taken and then have the debate occur, but I think it a little better to have the debate first and then vote. That is what I should like to have done in this case.

I ask Senators who are far more experienced in these matters than I am whether there will ever be a better opportunity to do this than in connection with this joint resolution.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. McKELLAR. In this joint resolution there is no appropriation for the renovation of the Senate in any way, shape, manner, or form. So the amendment to which the Senator refers has no place in the joint resolution.

The Senator from Massachusetts has said that he did not have a chance to debate this matter. But he was here in the Senate when the authorization for the work on this Chamber was proposed.

Mr. LODGE. Oh, no. That was done in the Seventy-ninth Congress. I was not a Member of the Seventy-ninth Congress. I was a Member of the Eightieth Congress, which I think was one of the best Congresses the Nation has ever had in that it responded to the administration's desires in regard to the Marshall plan, in that it responded to the administration's desires as regards selective service, in that it showed a greater sense of responsibility, so far as national defense and foreign affairs are concerned than has ever before been demonstrated by any other Congress and in that it cooperated completely with the administration in all those matters.

But this matter was not handled by that Congress, so far as I can determine from the information which I have obtained from the Architect of the Capitol.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. McKELLAR. I now read from Public Law 785 of the Eightieth Congress, the Congress about which the Senator from Massachusetts has just been very

complimentary, and, of course, I join him in those compliments. I was a Member of that Congress, and I have no criticism of that Congress of any kind, nature, or description. I wish to read what was done. The bill was approved on June 25, 1948, almost exactly a year ago. As I recall, my handsome and distinguished friend, the Senator from Massachusetts, was a Member of the Congress last June.

Mr. LODGE. Mr. President, the Senator from Tennessee has not yet told me the bill to which he is referring.

Mr. McKELLAR. I shall give it to the Senator. Here it is, under the heading "Architect of the Capitol, Capitol Buildings and Grounds":

Capitol buildings: For an additional amount, fiscal year 1949, for the Capitol buildings, including the objects specified under this head in the Legislative Branch Appropriation Act, 1949, $35,000.

Capitol Building: For an additional amount to enable the Architect of the Capitol to carry forward the improvements affecting the Senate wing—

Of course, I believe this is the Senate wing, I have always understood it was.

Mr. BALDWIN. Mr. President——

Mr. McKELLAR. I ask the Senator to wait a moment, please; the Senator from Massachusetts has yielded to me.

Mr. LODGE. I have yielded to the Senator from Tennessee. When he concludes, I shall be glad to yield to the Senator from Connecticut.

Mr. McKELLAR. I read further:

Senate wing of the Capitol authorized by the Second Deficiency Appropriation Act of June 27, 1940 (54 Stat. 629), as amended by the acts of June 8, 1942 (56 Stat. 342), and July 17, 1945 (59 Stat. 472), $600,000.

Mr. LODGE. Mr. President, will the Senator state whether that is an appropriation bill?

Mr. McKELLAR. It is an appropriation bill making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1948, and for other purposes.

Mr. LODGE. Does the Senator from Tennessee know whether the amount he has just stated has been expended?

Mr. McKELLAR. I do not know how much has been expended.

I read further:

The Architect of the Capitol is authorized to enter into contracts, including cost-plus-a-fixed-fee contracts as approved by the Special Committee on Reconstruction of Senate Roof and Skylights and Remodeling of Senate Chamber, and to make such other expenditures as may be necessary for the improvements affecting the Senate wing of the Capitol authorized by such acts, in such amounts as may be approved by the Senate committee appointed under section 1 of the act of July 17, 1945.

I remember that the Senator from Massachusetts was here at that time.

Mr. LODGE. No; I was not here in 1945.

Mr. McKELLAR. But, the Senator from Massachusetts was here when this bill was passed, and that is when the Senate took up the matter which the Senator now wishes to have taken up.

Mr. LODGE. Mr. President, I should like to comment on what the Senator from Tennessee has just said.

The bill from which the Senator from Tennessee has read is, of course, an appropriation bill. I think I am correct when I say—as I have been informed by the Architect of the Capitol—that the authorization bill for this work was enacted in the Seventy-ninth Congress.

Of course, the appropriation of funds in pursuance of existing authorizations goes along in the normal course. My point is that I think we have caught this thing in time. Perhaps we should have caught it sooner. Perhaps I should have caught this appropriation last year. Of course, I am not a member of the Appropriations Committee, and it is rather hard to sift all the appropriations as they come up. Perhaps some of the members of the committee should have caught it, but they did not.

Now I think we have caught this thing in time, and it seems to me this is the place and this is the way to deal with it. If this is not the place to deal with it, I wish someone would tell me what the place is.

Mr. McKELLAR. I shall be happy to tell the Senator.

Mr. LODGE. Will the Senator from Tennessee tell me whether I can offer this amendment in such a way that the Senator from Tennessee will think it is germane?

Mr. McKELLAR. To be perfectly frank with the Senator from Massachusetts, I think he is too late.

Just a few days ago—on June 22, I believe—the bill making appropriations for the legislative branch for the fiscal year ending June 30, 1950, and for other purposes, was passed. Here is the item in that bill to which the Senator's amendment would have been appropriate:

Capitol Building: To enable the Architect of the Capitol to continue to carry forward the improvements affecting the Senate wing of the Capitol authorized by the Second Deficiency Appropriation Act of June 27, 1940 (54 Stat. 629), as amended by the acts of June 8, 1942 (56 Stat. 342), July 17, 1945 (59 Stat. 472), and the Second Deficiency Appropriation Act, 1948, $1,374,500.

If the Senator from Massachusetts had offered his amendment at the time when that measure was before us, a week ago, he would have had no trouble about it.

But coming at this time, his amendment is wholly outside the purpose of the joint resolution now before the Senate.

Mr. CHAVEZ. Mr. President——

Mr. LODGE. Mr. President, I should like to respond to the Senator from Tennessee, and then I shall be glad to yield to the Senator from New Mexico.

The Senator from Tennessee has made precisely the reply that I thought he would make. It is the reply regularly made here, to the effect that, "You are too late, brother. It is too bad you were not here 10 days ago."

Mr. President, that reply is very much like the reply of a Senator to a request for a job: "It is just too bad that I did not hear from you sooner. If I had, I could have given you a job, but now the job has been filled, and it is too late."

That is what I call the "old Army game." It may fool some persons, but it does not fool me.

Certainly we are not too late, so far as this matter is concerned. All the money has not yet been spent. The work has not yet been done. The marble work, the fret-work, the plaster-lace work, and all the other work that is proposed has not yet been done. So, insofar as the essence of that question is concerned, we are not too late. The way to deal with it is on an appropriation bill. Now that I am told the bill appropriating money for the legislative branch has passed, obviously the only way we can do it is on an appropriation bill appropriating money for something else. If the Senate wants to decide that that is germane, it has the right to decide that it is germane. There is nobody that can tell them they are wrong.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. LODGE. I yield to the Senator from New Mexico.

Mr. CHAVEZ. With the indulgence of the Senator from Massachusetts, I may say that if anybody has played the soldier's game on the Senator from Massachusetts, it was done on his side of the aisle.

Mr. LODGE. I was not here, I may say to the Senator. I was not even in the Senate when this job was done.

Mr. CHAVEZ. Possibly the Senator was not here, but the Senator from West Virginia [Mr. REVERCOMB], who headed the committee, was here. The Senator from Illinois [Mr. BROOKS], who headed the Rules Committee, was here.

Mr. LODGE. I am talking about the legislative authorization in the Seventy-ninth Congress. I was not here at all then.

Mr. CHAVEZ. I do not care how it was authorized. The Senator from New Hampshire, who belonged to the committee, was also here. The contract was given under that authorization last October, long before the present session started. So if there is any soldiering around here at all, it was done on the Senator's side of the aisle.

Mr. LODGE. Oh, well.

Mr. CHAVEZ. It was done under authority of law.

Mr. LODGE. I am not saying that this is a Democratic blunder or that it is a Republican blunder. I was not going to bring partisan politics into it at all, and, in fact, I am not going to. Insofar as the mistake has been made, let us admit we have all made it. It is our mistake. It is not the Senator's mistake or my mistake; it is our mistake. We have found out about it now, happily in time to correct it, and I hope we will.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. LODGE. I yield to the Senator from Arizona.

Mr. HAYDEN. I have obtained additional information in the form of a statement prepared by the Architect of the Capitol, from which it appears that the contract was let to the Consolidated Engineering Co., of Baltimore, in October 1948, and that the work was to be done in two stages. The first stage relates to the gallery and above; and, as I stated before, the second stage, the work to be done in the Senate Chamber proper, would follow another adjournment of the

Senate. But the entire job has been contracted.

Mr. LODGE. Yes; but we can stop the second part.

Mr. HAYDEN. Yes. This is what is proposed to be done between now and January:

The walls of the gallery will be provided with a marble wainscot approximately 4 feet high.

Mr. LODGE. A marble wainscot?

Mr. HAYDEN. "Approximately 4 feet high."

Mr. LODGE. Mr. President, I want Senators to listen to this point. There goes the marble wainscot.

Mr. HAYDEN. It continues:

The wall above the wainscot will be faced with an acoustical product, covered with fabric. The door trims and niches will be of light marble and new wood doors will be provided.

Mr. LODGE. Does the Senator mean to say that these nice old door frames, with the scroll work on them, are going to go?

Mr. HAYDEN. Exactly.

Mr. LODGE. I think that is a great pity.

Mr. HAYDEN. It continues:

A decorative frieze will be introduced at the junction of the walls and ceiling.

Mr. LODGE. Does the Senator mean to say that the cornice which was designed by Mr. Thomas U. Walter, or of which he was the architect, in 1859, that beautiful, classical cornice, is to go?

Mr. HAYDEN. Under the contract it is to go.

Mr. LODGE. I am very sorry to hear that.

Mr. HAYDEN. I read further:

The treatment of the ceiling contemplates a relatively flat portion extending outward from the walls in which will be incorporated a series of decorative coffers——

Mr. LODGE. A series of what?

Mr. HAYDEN. Coffers.

Mr. LODGE. Coffers?

Mr. HAYDEN. Yes.

Mr. LODGE. Why does anyone want to put coffers up there?

Mr. HAYDEN. I am not an architect. I am merely reading what the Architect of the Capitol has to say.

Mr. LODGE. It is our Chamber, it is our Senate.

Mr. HAYDEN. The sentence continues:

and a higher central portion curved in section and provided with a cove. This central portion will be constructed of stainless steel——

Mr. LODGE. Stainless steel?

Mr. HAYDEN. Yes. The sentence continues:

perforated with small holes for the introduction of air conditioning, and painted. The rest of the ceiling will be of plaster.

Mr. LODGE. Are we to have plumbing of stainless steel, and ornaments—an artistic sort of thing?

Mr. HAYDEN. I am merely reading to the Senate what I find in the memorandum. It continues:

Back of the perforated portion an acoustical treatment will be introduced as necessary.

In the center of the ceiling will be introduced an ornamental rosette——

Mr. LODGE. A what? An ornamental rosette?

Mr. HAYDEN. Yes. The sentence continues—

the field of which will be of carved shatterproof glass illuminated from above so as to furnish a visible source of direct light. This light source will be provided mainly for the sake of appearance of the Chamber. The actual lighting of the floor will be accomplished by reflected light from the ceiling, the source of which will be light outlets arranged around the perimeter of the cove.

Lighting for the gallery will be provided by light panels in the ceiling close to the walls.

Air conditioning for the galleries will be introduced through semicircular outlets around the wall at the back of the gallery. The air conditioning for the floor will be introduced through the perforations in the stainless-steel ceiling already mentioned.

Mr. LODGE. "Stainless-steel ceiling?"

Mr. HAYDEN. I continue:

The rooms occupied by the press will be provided with improved lighting, air conditioning, and acoustical treatment during the first construction stage.

That is all that is to be done between now and January.

Mr. LODGE. I think it is more than enough—more than enough, Mr. President. I think the picture of the Senate Chamber with the stainless-steel ceiling is very disconcerting. But I shall not comment on that. Senators may judge for themselves whether they like a stainless-steel ceiling, and a marble wainscot, and all that sort of thing around the doors. I shall not comment on that.

But the able Senator from Arizona has made it perfectly clear. It is perfectly possible to divide this thing in two and at least to prevent the whole redecorative scheme from going into effect. We could perfectly well do that and be consistent with the mechanical needs of the situation.

Mr. HAYDEN. The Architect informs me it is provided in the contract that the work is to be done in two stages. The contract was let in October 1948, on written instructions from the then committee in charge of the renovation of the Senate Chamber.

Mr. LODGE. Mr. President, I should like to submit an amendment. It is similar in purpose to the one I offered, but it is different in wording, so that it is not an amendment which we have already passed upon. But it does the same thing. Now that we have had a chance, now that I have had this opportunity, which was denied me beforehand, to tell the Senate why I think it is germane, I will submit this amendment to the Senate. If any Senator knows any better place for me to offer the amendment, I wish he would stand up and tell me, because I want to offer this at the right place and at the best place. So far as I can make out, this is as good a place as any, and probably better than most other places. But I am going to offer this amendment, and then the Senator from Tennessee can make a point of order, and then the Chair can rule in favor of the Senator from Tennessee, and I can appeal from the ruling of the Chair, and then we can decide, here, whether we think it is germane or not.

So, Mr. President, I move to amend this joint resolution, in the proper place, as follows:

SEC. . No part of whatever funds may be appropriated for improvements affecting the Senate wing of the Capitol shall be used to make any alteration in the appearance of the Senate Chamber (whether by changes in desks, chairs, rostrum, couches or other furnishings, wall decorations, the color of the rug, or otherwise) except to the extent that repairs to the roof, or improvements in lighting or acoustics, require such alteration.

I offer that amendment and ask for its adoption.

Mr. McKELLAR. Mr. President, I make the point of order that the amendment is not in order, because it is not based on an appropriation in the bill.

The VICE PRESIDENT. In order for an amendment to be in order on a pending appropriation bill, it must apply to appropriations in the bill. It cannot apply to appropriations previously made in other bills. Therefore, the amendment is out of order as legislation on an appropriation bill. The point of order is sustained.

Mr. LODGE. I appeal from the decision of the Chair.

The VICE PRESIDENT. The Senator from Massachusetts appeals from the decision of the Chair. The question is, Shall the decision of the Chair stand as the judgment of the Senate? (Putting the question.) The "ayes" seem to have it.

Mr. LODGE. I ask for a division.

On a division, the decision of the Chair was sustained.

The VICE PRESIDENT. The question is on the third reading of the joint resolution.

The joint resolution (H. J. Res. 284) was ordered to a third reading, read the third time, and passed.

THE FEDERAL BUREAU OF INVESTIGATION

Mr. WILEY. Mr. President, I shall delay the Senate but a very few minutes.

Mr. MAYBANK and Mr. McKELLAR addressed the Chair.

Mr. WILEY. I desire to make a statement while I have the floor. I may not be able to get it again. I have tried before.

Mr. MAYBANK. Mr. President——

The VICE PRESIDENT. The Senator from Wisconsin has been recognized. The Chair cannot divine the Senator's purpose.

Mr. WILEY. Mr. President, recently, while attending a dinner in Milwaukee, I heard the Attorney General of the United States pay a compliment to one of the great branches of our Government—the FBI. It pleased me very much to hear these fine words about a great agency in which I personally have had a great deal of confidence. The Attorney General said, in substance, that if a crisis should arise, he felt the FBI had the situation "in hand."

I wonder if most of us appreciate just what that means—having the situation in hand. All we have to do is think back a few years as to what happened immediately after Pearl Harbor. All of us said, "Thank God for Mr. Hoover and the

FBI." They then and there had the situation in hand.

This country did not suffer any of the sabotage, or any of the other incidents that follow where a country has been penetrated by the enemy.

So it is good, Mr. President, to know that the FBI has the situation "in hand." They are on the job. They know what is going on. And if the situation elsewhere should get out of hand, it is well to know we are in good hands at home.

Why do I speak of this matter today? Well, I will tell the Senate why. Recently some folks, including some of the press, have taken a crack at Mr. Hoover. Mr. President, I was very much pleased to see that again the FBI had the situation in hand. Mr. Hoover did not go into a lot of explaining, a lot of talking. He knew that under America's great freedoms—freedom of the press and freedom of speech—sometimes those freedoms became license when exercised by some folks. But he also knew that he did not have to explain, because he had nothing to explain. He knew, too, that his friends did not need it and his enemies would not believe him anyway.

It is a good thing, Mr. President, that we have public officials who "have the situation in hand" instead of passing the buck, or "letting George do it."

It might be well if each and every one of us, as Senators, asked ourselves whether we have the situation well in hand; whether we are personally adequate, and whether we are officially adequate. Through the years, J. Edgar Hoover has carried the message to Garcia, and repeatedly I have heard the saying: "That is one department of government wherein politics does not enter, where there is no waste or inefficiency, and where a 'man's a man for a that'—even though he is a Republican."

FOURTH OF JULY CELEBRATION AT PIGGOTT, ARK.

Mr. McCLELLAN. Mr. President, I should like to make a brief announcement.

On next Monday the traditional annual celebration of the Fourth of July will be held at Piggott, Ark. Piggott has been long known for its annual celebration of this date. But this year the celebration takes on special significance because the people of Piggott, and Clay County, with their friends from far and wide, will honor one of their beloved sons, Leslie Biffle, the Secretary of the Senate, our own esteemed friend.

Mr. President, the idea of a day for a celebration in Piggott, Ark., combined with the traditional Fourth of July occasion, originated in the minds of some of Mr. Biffle's friends and neighbors in Piggott. But friends from other sections of the State and from Washington, D. C., and other persons immediately joined in the movement and are lending it their enthusiastic support. So, Mr. President, on July 4, 1949, there will be at Piggott not only an occasion for celebrating Independence Day, but an occasion for paying tribute to one of Arkansas' distinguished sons, a native of that community, and also one whom every Member of this body esteems and admires as a public servant whose sterling qualities and services to his country have been recognized throughout the Nation.

On that occasion, Mr. President, there will be placed in the Federal Building at Piggott a bust of Mr. Biffle, by the noted sculptor, Felix de Weldon, together with a scroll in honor of Mr. Biffle, bearing the names of some of his many friends from Washington and other sections of the Nation.

On behalf of the committee on arrangements I am authorized to and take pleasure in extending an invitation to each Member of the Senate, and particularly the Members of the Senate from adjoining and neighboring States, to join us on that occasion and participate in the tribute to our able, distinguished, and beloved Secretary of the Senate.

SALE OF LIMESTONE THROUGH PRODUCTION AND MARKETING ADMINISTRATION

Mr. WILLIAMS. Mr. President, as a result of a statement which I made on the floor of the Senate on March 2 of this year, regarding the sale of limestone through the Production and Marketing Administration to the farmers in the Delmarva area at an excessive margin of profit, the Department of Agriculture has conducted an investigation which disclosed the following facts:

This limestone material was being purchased by Charles W. Diliberto, limestone dealer of Norristown, Pa., from the Bridgeport, Pa., plant of the Bethlehem Steel Corp. at $1 per ton, f. o. b. plant, which material was designated as common sand.

The average freight rate in 1946 on this product to lower Delaware was $1.58 per ton.

In 1946 this material was sold to the Government, basis $7.55 per ton spread on the farms in Delaware, with the farmer paying $3.05, and the Government the remaining $4.50.

This material did carry an analysis to comply with the minimum requirements of the Delaware laws. It contained an average of approximately 10 percent moisture.

Invoices for this material submitted by Charles W. Diliberto to the Government were not accompanied by certified weight slips (the Delaware law requires that certified weight slips must accompany all bulk deliveries to the farmer). The invoices were accompanied by receipts signed by farmers to whom delivery was made.

It should be pointed out here that complaints have been registered by numerous farmers questioning the accuracy of the weights billed. In at least one instance where the weight was questioned by a farmer upon delivery, inaccuracies were found. Loads involved were numbered 11958, 11856, 11802, and 11959. One of these loads, carrying a weight slip showing a net weight of 24,000 pounds, was reweighed on the Delaware police station scales and showed a net weight of only 12,230 pounds. This particular error was subsequently corrected by Mr. Diliberto, but since most farmers had no way of reweighing the trucks, and merely signed delivery receipts in good faith, there is no way of checking the extent to which inaccuracies might have prevailed.

Mr. Diliberto failed to deliver 480 tons of limestone ordered by farmers in Sussex County, Del., under the 1946 program, for which he received Government payments totaling $2,160.

Mr. Diliberto also received payments totaling $3,028.50 for limestone purportedly delivered within the calendar year 1946, but actually not delivered until the early months of 1947.

Clarence M. Ocheltree, chairman of the Delaware State PMA Committee, received payments from Mr. Diliberto totaling $1,260.17 during the period October 1946 to December 1948. The investigation report indicates that these payments represented commissions on sales of Mr. Diliberto's limestone in Delaware. Mr. Ocheltree claimed that they represented payments on a tractor which he allegedly sold to Mr. Diliberto. Mr. Diliberto refused to offer any explanation.

R. W. Lingo, former community committeeman in Sussex County, Del., received payments from Mr. Diliberto totaling $1,032.72, admittedly representing commissions on limestone orders solicited by Mr. Lingo from Sussex County farmers.

In addition to the above-named officials, it was found that four others—two girls working in one of the county offices, and two committeemen—accepted minor gifts as Christmas presents from Mr. Diliberto. While acceptance of these gifts by employees of the Government from a contractor is a violation of the regulations punishable by suspension of the employees, it is only fair to say that the evidence indicates that these gifts were accepted merely as unsolicited Christmas presents. Also there is no evidence that the actions of these four employees were in any way influenced by the acceptance of such gifts.

The resignations of both Mr. Ocheltree and Mr. Lingo have been accepted by the Department, and the investigation report has been referred to the Solicitor of the Department of Agriculture for recommendations.

The investigation disclosed no other instances of irregular conduct on the part of Government personnel.

The junior Senator from Delaware [Mr. FREAR], Representative J. CALEB BOGGS, and I, comprising the entire Delaware congressional delegation, have reviewed this report, and feel that the steps taken by the Department of Agriculture have corrected the unsatisfactory conditions which existed prior to the disclosure, and should also prevent their repetition. We appreciate very much the splendid cooperation which we received from both the local committeemen and the farmers in securing the necessary information to clear up this situation. We also feel that this investigation which has been conducted by the Department of Agriculture, resulting in the full exposure of the irregularities and the placing of the responsibility, should restore the confidence of the farmers in the many officials of this agency who have been doing their best to properly administer the soil-conservation program.

TREASURY AND POST OFFICE APPROPRIATIONS, ETC.—CONFERENCE REPORT

Mr. MAYBANK. Mr. President, I submit a conference report on House bill 3083, making appropriations for the Treasury and Post Office Departments and funds available for the Export-Import Bank and the Reconstruction Finance Corporation, which I ask to have the clerk read.

The VICE PRESIDENT. The conference report will be read.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 3083) making appropriations for the Treasury and Post Office Departments and funds available for the Export-Import Bank and the Reconstruction Finance Corporation for the fiscal year ending June 30, 1950, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 5 and 7, and agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$226,300,000"; and the Senate agree to the same.

BURNET R. MAYBANK,
CARL HAYDEN,
H. M. KILGORE,
JOHN L. MCCLELLAN,
OLIN D. JOHNSTON,
GUY CORDON,
CLYDE M. REED,
STYLES BRIDGES,
Managers on the Part of the Senate.

J. VAUGHAN GARY,
A. M. FERNANDEZ,
OTTO E. PASSMAN,
CLARENCE CANNON,
Managers on the Part of the House.

Mr. MAYBANK. Mr. President, I ask unanimous consent for the immediate consideration of the conference report.

The VICE PRESIDENT. Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

Mr. WHERRY. Mr. President, will not the Senator from South Carolina state what the conferees did?

Mr. MAYBANK. Mr. President, in substance, when we first met we made an agreement on the Post Office Department and the RFC appropriations, and those for the other agencies within the Treasury and Post Office Departments, except the Internal Revenue Bureau. We finally made a settlement as of the end of the year, in accordance with the Senate's amendment, so that the Bureau could get able, conscientious collectors to the number of 4,250, as against the 7,000 provided for by the Senate, which was over the budget estimate, and as against the 1,500 approved by the House. So, as of June 1950 there will be 4,250 additional collectors to collect taxes owing but which have not been paid into the Federal Treasury.

Mr. WHERRY. Mr. President, I appreciate very much the observations made, because I know how anxious the Senate was to increase the number for the purposes set forth on the floor of the Senate. Does the Senator now feel that the number arrived at in the compromise will be ample?

Mr. MAYBANK. I should have liked to see 7,000 provided for, but we were in conference for many weeks, and I believe this is the best investment Congress has ever made—an appropriation which will enable the Treasury to get from those who are tax delinquent and have not paid their taxes what they owe, rather than have Congress levy new taxes.

The PRESIDING OFFICER (Mr. MCGRATH in the chair). The question is on agreeing to the conference report.

The conference report was agreed to.

AUTHORIZATION FOR JOINT COMMITTEE ON FOREIGN ECONOMIC COOPERATION TO MAKE CERTAIN EXPENDITURES

Mr. HAYDEN. Mr. President, by direction of the Committee on Rules and Administration, and at the request of the Committee on Appropriations, I report an original resolution which I send to the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be read.

The resolution (S. Res. 131) was read, as follows:

Resolved, That the Joint Committee on Foreign Economic Cooperation is authorized, during the month of July 1949 to expend from the contingent fund of the Senate, an amount equal to the unobligated balance of the appropriation for the said committee for the fiscal year ending June 30, 1949.

The PRESIDING OFFICER. Is there objection to the consideration of the resolution?

Mr. WHERRY. Mr. President, will not the Senator from Arizona explain what the resolution provides?

Mr. HAYDEN. There was provision in the European Recovery Act last year for a joint committee of the Senate and the House, the expenses of which were to be paid from the contingent funds of the House and the Senate. We could not, therefore, include the appropriation in the joint resolution just passed. The resolution I send forward provides that there shall be paid out of the contingent fund of the Senate for the month of July the salaries of those serving the committee.

Mr. WHERRY. I am wholly in sympathy with the resolution, and voted to report it from the Committee on Rules and Administration, but I thought an explanation should be made.

The PRESIDING OFFICER. Is there objection to the consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

TEMPORARY PAY OF EMPLOYEES OF FORMER SENATOR WAGNER

Mr. HAYDEN. Mr. President, I call up Calendar No. 597, Senate Resolution 129, coming over from the previous day.

The PRESIDING OFFICER. The resolution will be read.

The resolution (S. Res. 129) was read, as follows:

Resolved, That the administrative and clerical assistants appointed by Senator Robert F. Wagner for service in his office and carried on the Senate pay roll at the time of his resignation from the Senate, shall be continued on such pay roll at their respective salaries for a period not to exceed 60 days, payments therefor to be made from the contingent fund of the Senate.

Mr. HAYDEN. Mr. President, question was raised yesterday by the Senator from Georgia [Mr. GEORGE] and the Senator from California [Mr. KNOWLAND] as to this resolution.

Mr. WHERRY. Mr. President, will not the Senator give an explanation as to whether the Senators who objected have been satisfied, and what the objection was?

Mr. HAYDEN. They have been satisfied.

Mr. WHERRY. What is the explanation?

Mr. HAYDEN. There are only seven employees affected, and if all of them remain on the pay roll for the entire 60 days, which of course they would not do if they could get work elsewhere, the cost to the United States would be $3,500. I obtained that information from the financial clerk of the Senate. I also obtained information for him to the effect that during the past few years, since the Reorganization Act went into effect, Senator Wagner never did fill his clerical force, which resulted in a saving of $24,278 in base pay. So it seems to me this is a fair arrangement, and one which should be made.

Mr. WHERRY. Mr. President, I think that one of the objections raised yesterday was that the period covered in the resolution was 60 days, instead of 30 days, as is usual. From the observations made to him, is it the Senator's feeling that since the amount is small, it comes within the amounts which have been expended prior to this time for periods of 30 days?

Mr. HAYDEN. Probably it would not extend 60 days. The rule provides that if a Senator dies his employees shall not remain on the roll more than 60 days.

Mr. BRIDGES. Mr. President, I wish to ascertain whether we are establishing a precedent. We have a general rule that when a Senator is deceased his staff may remain on the Senate pay roll for a period up to 60 days. Now we are asked to take action in the case of a Senator who has resigned. There will be other Senators resigning from this body. I desire to know whether we are making this a general rule, or what is being done. Why should we follow the other rule in the case of Senator Wagner? We may be getting on dangerous ground.

Mr. HAYDEN. The last instance was the case of Senator Austin, who prior to his resignation submitted a resolution, which was referred to the Committee on Rules and Administration and unanimously reported by that committee. The resolution provided that Senator Austin's office employees should be paid their salaries for as much as 60 days. The terms of that resolution were

the same as the terms of the pending resolution.

Mr. BRIDGES. I was not aware of the fact that we had done that before with respect to a Senator who resigned.

Mr. HAYDEN. That question was raised yesterday by other Senators, and on inquiry made by them they were satisfied on that point.

Mr. BRIDGES. If we have done it before, our action now would not be establishing a new precedent. I trust there will be no discrimination against the office force of any Senator who in the future may resign. With that understanding I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 129) was considered and agreed to.

EXTENSION OF IMPORT CONTROLS ON FATS AND OILS

Mr. MAYBANK. Mr. President, I desire to call attention to Calendar No. 591, House bill 5240, to continue for a temporary period certain powers, authority, and discretion for the purpose of exercising, administering, and enforcing import controls with respect to fats and oils—including butter—and rice and rice products.

Request was made for consideration of the bill last evening, but on objection it went over. It will cost the Commodity Credit Corporation and the taxpayers of the United States $125,000,000 if the bill is not passed. It is a bill which deals with certain oil products, primarily raised in the great midwestern section of the country.

I move that the Senate proceed to the consideration of the bill at this time.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 5240) to continue for a temporary period certain powers, authority, and discretion for the purpose of exercising, administering, and enforcing import controls with respect to fats and oils (including butter), and rice and rice products.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

Mr. WHERRY. Mr. President, reserving the right to object, does it require unanimous consent for consideration of the bill?

Mr. MAYBANK. I did not ask unanimous consent. I moved to have the bill taken up.

The PRESIDING OFFICER. The Chair begs the pardon of the Senator from South Carolina. The Chair thought he asked unanimous consent for present consideration.

Mr. MAYBANK. No. Unanimous consent was requested yesterday.

Mr. WHERRY. Mr. President, I was told by the distinguished majority leader a few moments ago that request might be made to bring up the bill, but I also was told on the floor earlier that after the labor bill had been disposed of, it was proposed to make the Atlantic Pact the unfinished business. Two or three Senators are interested in the bill referred to by the Senator from South Carolina. They are not on the floor of the Senate now.

Mr. MAYBANK. There will be quite some debate on the bill. I wish to say that the law expires tonight at midnight. I have never made any statement respecting it other than that I intended to call up the bill for consideration before the expiration time. The bill was reported from the Committee on Banking and Currency by the distinguished Senator from Illinois [Mr. DOUGLAS]. It was debated for a considerable time yesterday afternoon. The distinguished Senator from Ohio [Mr. BRICKER] objected to unanimous consent being granted for consideration of the bill yesterday. A number of Senators from the Midwest seem to be particularly interested in the bill. The Senators from the two Dakotas, from Minnesota, and from other States are interested in it.

Mr. WHERRY. The Senator is not asking unanimous consent for present consideration of the bill?

Mr. MAYBANK. I am not.

Mr. WHERRY. The Senator has moved to take up the bill?

Mr. MAYBANK. That is correct.

Mr. WHERRY. There is so much interest in the bill that I believe we should have a quorum before taking it up.

Mr. MAYBANK. I thoroughly agree with the Senator.

Mr. WHERRY. If the Senator wishes to make an explanation, I hope he will do so, and give us time to see if we can get a sufficient number of members on the floor to make a quorum.

Mr. MAYBANK. I may suggest that there is not much explanation to be made of the bill. The bill was explained yesterday. I understand both Senators from Minnesota, the Senator from Vermont [Mr. AIKEN] and some other Senators desire to discuss it. If they desire a quorum call before they discuss it, I shall suggest the absence of a quorum.

Mr. WHERRY. Mr. President, if only a short explanation is necessary, I believe we should have a quorum present. I suggest the absence of a quorum.

Mr. MAYBANK. Will the Senator withhold the suggestion for a moment?

Mr. WHERRY. Yes.

Mr. MAYBANK. I ask that I may yield to my colleague, the junior Senator from South Carolina, with the understanding that I do not lose the floor thereby, so he may ask to have a bill considered.

The PRESIDING OFFICER. It is suggested that action be taken on the pending motion made by the senior Senator from South Carolina for the present consideration of House bill 5240.

Mr. BRICKER. Mr. President, I object. I wish to say that I shall vote against such a motion.

The PRESIDING OFFICER. The question is on the motion of the senior Senator from South Carolina [Mr. MAYBANK].

Mr. WHERRY. I suggest the absence of a quorum.

Mr. MAYBANK. Will the Senator again withhold his suggestion?

Mr. WHERRY. Yes.

Mr. MAYBANK. My colleague from South Carolina desires to make a unanimous-consent request.

CORRECTION OF CERTAIN INEQUITIES IN PAY

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that the senior Senator from South Carolina may not lose the floor while I ask to report a bill and request its immediate consideration. I believe it will require only 2 minutes.

Mr. WHERRY. Mr. President, I have no objection.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from South Carolina?

Mr. BRIDGES. Mr. President, before I waive my objection I should like to know what we are getting into. What sort of a bill is it?

The PRESIDING OFFICER. The junior Senator from South Carolina has asked unanimous consent to report a bill and ask for its present consideration, and that his colleague may not lose the floor by his doing so.

Mr. WHERRY. Mr. President, the unanimous consent request is that the junior Senator may be permitted to report a bill and ask for its present consideration, and that the right of the senior Senator from South Carolina may not be prejudiced thereby. Senators will have the right to object if unanimous consent is asked by the junior Senator from South Carolina for present consideration in the event they do not want to have the bill taken up?

The PRESIDING OFFICER. The Senator is correct. The present unanimous consent request is merely that the Senator be allowed to report the bill and ask unanimous consent for its present consideration. Is there objection to the request that the Senator may report the bill? The Chair hears none.

Mr. JOHNSTON of South Carolina. Mr. President, from the Committee on Post Office and Civil Service I report favorably, without amendment, House bill 5100, to correct inequities in the pay of certain officers and employees of the Federal Government and of the government of the District of Columbia, and I submit a report (No. 604) thereon.

The bill was passed by the House and unanimously reported today by the Committee on Post Office and Civil Service. Today is the last day of the fiscal year. It was brought out that a technical point might be raised with respect to this bill if it were not passed today.

Last year there was considerable discussion, on the floor, of the subject dealt with in the bill, and it was agreed that if revenues were produced for the District in sufficient amount, the District of Columbia employees would receive an increase of $330 in their salaries, as the salaries of classified Federal workers throughout the United States were increased. A bill providing revenues for the District of Columbia has been passed by the Senate and the House and signed by the President. The Congress has already authorized payment to the unclassified workers. The bill provides for pay-

ment to the classified workers within the District. That is all there is to the bill.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

Mr. WHERRY. Mr. President, reserving the right to object, as I understand, the authorization was passed in the last Congress.

Mr. JOHNSTON of South Carolina. Yes. It was said that when sufficient revenue to provide the needed amount was produced in the District of Columbia the increased payment would be made to the District workers.

Mr. WHERRY. Since the District of Columbia sales tax and other sources of revenue have gone into effect the amounts necessary are available, and the time has arrived when the payments can be made. Is that correct?

Mr. JOHNSTON of South Carolina. That is true.

Mr. WHERRY. Did all the members of the Committee on Post Office and Civil Service join in reporting the bill? Was there any opposition?

Mr. JOHNSTON of South Carolina. Every member who was present agreed to it.

Mr. WHERRY. The Senator says "Every member who was present." Was there a good attendance at the meeting?

Mr. JOHNSTON of South Carolina. As I remember, eight members were present. I have talked with several members who were not present, and all of them with whom I have talked have agreed.

Mr. THYE. Mr. President, I am a member of the committee. I was present at the time the bill was under consideration. More than a majority of the members of the committee were present, and there was a goodly representation from both sides of the aisle. This is a good piece of legislation, and should be passed.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 5100) was considered, ordered to a third reading, read the third time, and passed.

CALL OF THE ROLL

Mr. MAYBANK. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hendrickson	McKellar
Baldwin	Hickenlooper	McMahon
Bricker	Hill	Maybank
Bridges	Hoey	Morse
Butler	Holland	Mundt
Byrd	Humphrey	Murray
Cain	Ives	Myers
Chapman	Jenner	O'Mahoney
Chavez	Johnson, Colo.	Pepper
Connally	Johnson, Tex.	Robertson
Donnell	Johnston, S. C.	Schoeppel
Douglas	Kefauver	Sparkman
Ecton	Kem	Stennis
Ferguson	Kilgore	Thomas, Okla.
Fulbright	Knowland	Thomas, Utah
George	Long	Thye
Gillette	Lucas	Tydings
Graham	McCarran	Wherry
Green	McCarthy	Wiley
Gurney	McFarland	Williams
Hayden	McGrath	Young

The PRESIDING OFFICER. A quorum is present.

EXTENSION OF IMPORT CONTROLS ON FATS AND OILS

Mr. MAYBANK. Mr. President, I ask that my motion be put.

The PRESIDING OFFICER. The question is on the motion of the Senator from South Carolina to proceed to the consideration of a bill the title of which will be stated.

The LEGISLATIVE CLERK. A bill (H. R. 5240) to continue for a temporary period certain power, authority, and discretion for the purpose of exercising, administering, and enforcing import controls with respect to fats and oils (including butter, and rice and rice products).

Mr. BRICKER. Mr. President, I do not care to delay a vote on this measure. I merely wish to speak long enough to let the issues be known, to state the facts for the RECORD, and to state my position on this matter.

In the first place, no hearing was held on this bill, except a short hearing held on Friday of last week. Just a week before the termination date of the bill now in effect, the Department sent its representatives before the Banking and Currency Committee, and they asked for a continuance of the controls. I say they did so without an adequate hearing or an understanding of the facts on the part of the members of the committee.

This is an effort to prevent the importation of linseed oil and fats and oils, but primarily linseed oil, and also rice and rice products. The philosophy back of the prevention of the importation of linseed oil and fats and oils is that we have an oversupply. The philosophy back of the prevention of the importation of rice and rice products is that we have an undersupply. In one case the rule is supposed to work in one way, and in the other case it is supposed to work in the other way.

I am opposed as a matter of principle to putting an embargo on the importation of products into this country. There is a better, safer, and sounder way to handle the matter. If we are to submit to this kind of pressure from the departments, it means that whenever a surplus is purchased by the Government, whether at a reasonable price or at a high price, the Congress will be called upon to bail out the department which has spent the taxpayers' money, but the consumers will get no benefit whatsoever from the surplus products thus purchased and held by the Government, through the Commodity Credit Corporation.

Mr. JENNER. Mr. President, will the Senator yield?

Mr. BRICKER. I yield to the Senator from Indiana.

Mr. JENNER. I should like to ask the distinguished Senator from Ohio how this theory of government could be reconciled with the administration's theory of reciprocal trade agreements with no peril point.

Mr. BRICKER. No reconciliation is possible. Likewise, I wish to say to our good friends from the South who believe in free trade and to those on the administration side who have adopted that as their philosophy—as has been explained here time and time again by the Senator from Nevada [Mr. MALONE]—that I cannot comprehend how they could possibly support a measure of this kind, which does not mean free trade or any trade at all, but simply says that the administration shall have the power to shut off imports in these fields because, in one case, we have too much oil and, in the other case, we do not have enough rice.

Mr. President, it does not make sense or add up to any sort of policy of trade—free, protected, or otherwise. This, in my judgment, is the most contradictory proposal that has come before the Congress thus far.

What are the facts? A few years ago the Department found there was a shortage of linseed oil. As a result, they analyzed the situation, and found the shortage of flax to be more critical than it really was. The support price was increased to $6, rather than $3.99 or $4, which is the price at the present time, and which in my judgment should have been the ceiling price at all times. So the farmers of the country responded magnificently, as they always do, to a price inducement of that kind. The acreage increased tremendously and likewise the crop. The Commodity Credit Corporation had to expend millions of the taxpayers' dollars—yes, hundreds of millions—in order to buy the surplus crop at $6. The Corporation acquired too much flaxseed and linseed oil, with the result that the next year they cut down the support price to $4, or $3.99. But the farmers, seeing that flax is an easy crop to grow, that it is an easy crop to harvest and to handle, continued their acreage, with the result that the Government today has on hand in storage about three-quarters of an annual crop, a supply which ought to be available to the American consumer and ought to be of some benefit to the American producer of commodities which require linseed oil. But the price is to be held up in order to bail out the Commodity Credit Corporation because of the overprice which they paid, as a result of which they brought about an overproduction, so that now they have on their hands a surplus, which they must sell. This is a measure to protect a Government agency which has followed an uneconomic and unsound principle of support control.

Mr. JENNER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Indiana?

Mr. BRICKER. I yield.

Mr. JENNER. In view of the statement the Senator has just made, may I ask, is not this theory of the Government directly contrary to the theory of the Brannan plan of making commodities available to the consumer at cheap prices?

Mr. BRICKER. It does not conform to any plan, much less the Brannan plan. As I said a moment ago, I do not see how one who believes in free trade can support it. I do not see how one who believes in a protective tariff can support it. I do not see how one who believes in the Brannan plan can support it. It is

an anomaly so far as agricultural economics is concerned in this country.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. BRICKER. I yield to the Senator from South Carolina.

Mr. MAYBANK. I have only this to say to my good friend on the committee. Of course, some of the things he has said are absolutely correct. But we are only asking for an extension for 1 year, because the Commodity Credit Corporation had to purchase certain quantities of flaxseed, in view of the conditions which the Senator has explained. We were in a war at the time, and we needed it. The Argentine wanted 35 cents a pound for it.

Mr. BRICKER. The war was all over when the support price of $6 was established in this country. It was done in an effort to prevent the farmers of Argentina and the Government of Argentina——

Mr. MAYBANK and Mr. THYE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Ohio yield; and if so, to whom?

Mr. BRICKER. I yield first to the Senator from South Carolina.

Mr. MAYBANK. The support price was put into effect during the war, as an inducement to American farmers to produce flaxseed, which we were unable to get in sufficient quantity at that time. Although I am not an expert on flaxseed, which is raised in the Middle West, that is the information that was sent to the committee by the Secretary of Agriculture.

Mr. BRICKER. But the volume that is now owned by the Commodity Credit Corporation and in Government storage was purchased I think in either 1946 or 1947, at the high support price of $6. Last year the support price was reduced to $3.99.

Mr. THYE. Mr. President, will the Senator yield?

Mr. BRICKER. I yield to the Senator from Minnesota.

Mr. THYE. I am very reluctant to interrupt the discussion of the able junior Senator from Ohio. I should rather be agreeing with him than disagreeing. I know of his ability and I know of his sincerity, and for that reason I am reluctant to interrupt him, but I must call attention, if the Senator will yield sufficiently long for me to make an explanation——

Mr. BRICKER. If the Senator will permit me, I should rather continue. I only have another minute or two, and then I shall yield the floor to the Senator from Minnesota. I have to catch a plane in just a little while.

Mr. THYE. I shall not interrupt.

Mr. BRICKER. I apologize to the Senator.

Mr. THYE. I shall not interrupt. I hope the Senator catches his plane and that he enjoys the Fourth of July celebration. I find it necessary to remain here. I wish I could catch a plane, too.

Mr. BRICKER. If I do not catch the plane, I will not enjoy it.

The PRESIDING OFFICER. The Senator from Ohio declines to yield.

Mr. BRICKER. Mr. President, that about concludes my statement, except to say that this bill, if passed, will put the consumer price about 200 percent above what an unpegged price would be. The American consumer will have to pay for the mistakes which were made by the Government in the fixing of an unsound support price.

First of all, this is a dangerous and an unsound precedent to set, because just so soon as any commodity in this country comes into surplus supply, immediately special interests that are involved in production will be coming before the Congress of the United States saying to us, "Stop imports, because we have got more than we need in this country." If we are going to enter into that kind of program of state control of production, trade, and commerce, not only internationally but domestically, let us do so with our eyes open. That is one reason I wanted this bill to go over until next week, so we could have a thorough analysis, both in respect to the commodities mentioned in the bill and in respect to whatever other products are in oversupply, the producers of which are likely to come to the Congress and ask for state control or state trading so far as production is concerned in the United States.

As I say, it is an inconsistent, incongruous application of an unsound principle so far as the trade of the United States or international trade relationships are concerned. It does not conform to the free-trade philosophy. It does not conform to any philosophy of a protective tariff. It does not conform to the Brannan bill or any other practice the Government has heretofore followed. I shall not ask for the yeas and nays on this question, but I want to be recorded as opposing this kind of legislation for the protection of special interests in the United States.

Mr. YOUNG. Mr. President I dislike to disagree with my good friend from Ohio, but I do not believe he is fully conversant with the facts in this instance. During the war, and all through 1946 and 1947, the Argentine Government was holding us up for as much as $8 a bushel for flax. Ordinarily, in peacetime, unfortunately, our tariff on flax was so low that two-thirds of our United States requirements had to be imported from the Argentine. As a result, our production was far below our needs. In order to alleviate a desperate shortage in the United States, the Department of Agriculture raised support levels on flax to $6 a bushel, and under that program the farmers increased production of flax to an extent we thought was impossible. My State of North Dakota is the greatest flax-producing State in the Nation. We came through with a crop of approximately one-third or more greater in yield, for the number of acres seeded, than we ever had before. This was largely because of very favorable weather conditions, new varieties of flax, and new methods of growing flax. I disagree with the Senator from Ohio when he says flax is an easy crop to raise. Flax is the most hazardous crop that anyone can raise. It is more subject to grasshopper destruction; it is more subject to disease and every other hazard than any other crop I know of. In fact, the price of flax must be double the price of wheat, if we are to successfully raise the flax from year to year. The fact that we were very lucky in getting large yields of flax last year does not mean we are going to continue that for years to come. I believe the average flax production in our State in normal times—and ours is the principal flax-producing State—was not over 5 or 6 bushels an acre. Last year our average yield was probably 12 bushels an acre—an unusual thing. I believe the bill is necessary in order to protect our investment and the flax growers of this Nation.

Mr. THYE. Mr. President, once more let me say that I should like to agree with the Senator from Ohio [Mr. BRICKER] in his objection to favorable action on the bill, but I do not believe anyone could justly criticize the Commodity Credit Corporation for the quantity of flaxseed and linseed oil it has acquired in the support price program. The Commodity Credit Corporation has approximately 37,000,000 bushels of flaxseed which it was compelled to purchase a year ago and in the previous year in the general support-price program. It may be asked, Why did it place the support price at $6 a bushel? Why not at a lower figure? The fact of the matter is that it is an aftermath of war, a situation following a war period. We were confronted with a terrific shortage of linseed oil and other oils during the war. The Corporation paid a high support price on soybeans as well as on flaxseed, and after having placed the support price at this high level, and the crop came to market, the processors were purchasing flaxseed, but not sufficiently to maintain the $6 price per bushel for the flax. For that reason, the Commodity Credit Corporation had to step in in order to maintain the price of flax at the stipulated support price, in the manner to which it had committed itself at an earlier time or at the planting season of the year.

I believe the Congress is absolutely justified in continuing the supports for 1 more year. Unless that be done, Congress will be instrumental in causing the Commodity Credit Corporation to lose possibly $160,000,000 which it presently has invested in flaxseed and linseed oil.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. THYE. I yield.

Mr. MUNDT. Since this is the result of the program, will not the taxpayers have to make up the difference, and by passing this bill the consumers of the product will take care of it in the normal channels of trade?

Mr. THYE. That is absolutely true. If this legislation is passed it will enable us to work ourselves out of a situation in which we have more oil at the present time than would normally move. In the event controls were removed, we would immediately have imports of oils and fats which would absolutely demoralize the market, not only in linseed oil but also in soybean oil, which would have a re-

flex effect upon cottonseed oil and other oils.

Mr. MUNDT. And the taxpayers would have to make up for the amount invested by the Commodity Credit Corporation.

Mr. THYE. That is true. We might jeopardize the entire agricultural program in the next 4 or 5 months in the event controls should be removed and there should be an influx of oils and fats.

Mr. CAIN. Mr. President, the junior Senator from Washington is one of the members of the Banking and Currency Committee, and, in reference to the question now before the Senate, he voted to extend controls for a year, but only for one reason. The reason was that he wanted to protect the investment of the Commodity Credit Corporation which lost, as we were told, more than $100,000,000. But the junior Senator from Washington, in common with other members of the Banking and Currency Committee, shares the indignation as expressed a few minutes ago by the junior Senator from Ohio [Mr. BRICKER] over the way in which the measure was presented to the Banking and Currency Committee of the Senate and over the way in which legislation in the past has apparently not operated to the satisfaction of a number of Members of the Senate.

The Senator from Ohio pointed out that there were no adequate hearings held on the extension proposal and that no record was written, and, by inference, he suggested that we have one more reason to believe that the Commodity Credit Corporation will not be in a comfortable position a year from now, as is the fact today.

In connection with that observation, Mr. President, I wonder if the chairman of the Banking and Currency Committee [Mr. MAYBANK] will permit me to ask him a question?

Mr. MAYBANK. I shall be glad to have the Senator ask me a question.

Mr. CAIN. I wonder if there is any wisdom in the suggestion that we might extend these controls for a limited period, say, 30 or 45 days, to make certain at the outset that the investment of the Commodity Credit Corporation would not be held in jeopardy, and, secondly, and most important, to give us an opportunity to anticipate the control requirements of the future, and to determine the programs, if any, which the Commodity Credit Corporation have in hand to reduce their surpluses and to make it possible for us to do away with the controls approximately a year from now.

Mr. MAYBANK. Mr. President, of course I feel just as the Senator from Washington does, and just as the chairman of the subcommittee, the distinguished Senator from Illinois [Mr. DOUGLAS] does, that it would perhaps be best to extend the controls for 6 months, and then do away with them as quickly as possible. But the question arises that they will expire tonight if we do not extend them and we cannot have a conference with the House and pass a law between now and midnight which would take the place of the extension now proposed. I might say to the Senator that I shall join with him and with the Senator from Illinois, because I believe the Senator from Illinois feels as I do, in having a careful check made through the staff of the Committee on Banking and Currency, and in asking the Commodity Credit Corporation to liquidate what I believe are obligations to the farmers of the Midwest as quickly as possible. That would be my answer, because I do not believe in controls, and I do not want the Senator to think that I do.

Mr. CAIN. Mr. President, I express my appreciation for the information the Senator has just given. I wonder if the chairman of the committee would care to state to the Senate why the Commodity Credit Corporation was so extremely, and from our point of view, unnecessarily tardy in presenting this important matter before the Committee on Banking and Currency.

Mr. MAYBANK. The distinguished Senator from Illinois said in no uncertain terms that he regarded the delay of the Commodity Credit Corporation, and the delay of the Department of Agriculture in reporting to the Senate, as very regrettable. As I told the Senator from Vermont yesterday when he raised the question of the controls or so-called allocations of pork and pork products, I asked the Department of Agriculture this morning to send me a full report, and advised them I had been extremely disappointed. They have sent a report, which will apear in the RECORD tomorrow morning, since I presented it today, asking that controls be completely removed. The substance of the letters and the correspondence regarding this matter was that the controls would be removed as soon as possible, and that no additional "hold-up," if I may use that term, or delay, would be encountered.

I cannot speak for the Secretary of Agriculture, I cannot speak for the Department of Agriculture, but I thoroughly agree with everything the Senator from Illinois said here yesterday and day before yesterday to the effect that this delay—this tardiness, as the Senator from Washington expresses it—was uncalled for and unnecessary.

I may add that the staff of the Committee on Banking and Currency, of which committee the distinguished Senator from Washington is a member, will use every effort to expedite doing away with controls as soon as possible, and at the same time save money for the American taxpayers, who have this investment in the Commodity Credit Corporation flax seed oil situation in the Midwest and Northwest.

Mr. CAIN. I thank the Senator from South Carolina. I am hopeful that the Senator from Illinois will answer a question.

Mr. DOUGLAS. Certainly.

Mr. CAIN. If we have on hand, through the Commodity Credit Corporation, as I understand, approximately three-fourths of an annual crop, what assurance did the Commodity Credit Corporation give to the Senator from Illinois, if I may inquire, as to how they intended to dispose of that surplus, and would it in fact be largely disposed of by the expiration date fixed in the bill?

Mr. DOUGLAS. Mr. President, the Department of Agriculture could give no definite assurance that this surplus stock would be worked off. They had hoped they would be able to dispose of some of the existing stock to ECA and some to the Army, but they were not able to get as large purchases made as they had hoped, and I would say that, so far as the future is concerned, they hope, but they cannot guarantee.

Mr. CAIN. How long a period of extension did the Department of Agriculture or the Commodity Credit Corporation ask for when the matter was presented to the conference?

Mr. DOUGLAS. They originally asked for a year and a half, but that was reduced by the House to 1 year.

If I may follow up a question which the Senator from Washington asked earlier in his colloquy with the distinguished Senator from South Carolina, namely, what harm would be done if we merely renewed the 30-day provision, the Senator from South Carolina made a very important point, that altering the terms of the extension made by the House would require the bill to go to conference, and probably, therefore, would result in the act expiring, and large quantities of linseed oil being shipped in, beginning tomorrow.

Mr. CAIN. The junior Senator from Washington is conscious of that fact, and is anxious to have this legislation promptly disposed of. I think those of us on the committee, at least, are in agreement that we would like to make such action unnecessary in the future, if it is humanly possible to do so.

Mr. DOUGLAS. In the hearings I tried to make it as clear to the Department of Agriculture as I could that I felt they had been very negligent in not bringing this matter up before the 20th of June. They furnished us with incomplete information, and I think they have a great deal to answer for in the way they have conducted the whole matter. Nevertheless, as Grover Cleveland said, it is a condition and not a theory which confronts us, and we have the problem as to what we should do.

My feeling is that if we allow the controls to lapse there will in all probably be large shipments of linseed oil and flaxseed from the Argentine, with the result that we will be compelled to purchase a larger and larger fraction of the domestic supply, so that our stocks will increase, and our ultimate loss will be greater, and in effect we will be supporting the world price of flaxseed at our present ratio of $3.99 a bushel. Therefore, in spite of the way in which the Department of Agriculture has conducted the matter, it seems to me better that we renew the controls for a year.

Mr. CAIN. I thank the Senator.

Mr. PEPPER. Mr. President, if I may have the attention of the Senator from South Carolina or the Senator from Illinois, whoever is handling the bill on the floor, I should like to ask whether it is possible under the bill to give any protection to the tung-oil industry. I have in mind the question whether the bill would allow the exercising of controls over imports of tung oil which come into this

country from China. I make the inquiry because, as other Senators will attest—and I see the Senator from Mississippi on the floor, and I know other southern Senators are vitally interested—bankruptcy threatens the tung-oil industry of the South.

Mr. MAYBANK. The bill will be of assistance.

Mr. PEPPER. It will give authority to the President, or the proper agency of the Government, to examine into the volume of tung oil that is coming into this country, its adverse effect upon the domestic industry, and that the Government might administratively, under the bill, if it becomes law, give some protection to the tung-oil industry.

Mr. MAYBANK. The Senator is correct.

Mr. PEPPER. I am certainly indebted to the Senator and all those who have made that possible, and I am glad that the record of this debate can show that tung oil can have protection under the bill.

Mr. HUMPHREY. Mr. President, I wish to take the liberty of associating myself with the remarks of the senior Senator from Minnesota [Mr. THYE] and the junior Senator from North Dakota [Mr. YOUNG].

I want to make this observation in reference to H. R. 5240: That back in the fall of the past year, 1948, the Commodity Credit Corporation purchased large amounts of flax, and purchased it at the support price of approximately $6 a bushel. I think it should also be noted that that crop was planted at a time when there was a great shortage of linseed oil and of flax products.

Flax is a risk crop, one which is always in jeopardy, and the farmers of our section of the country were called upon, as was pointed out, to plant this risk crop in behalf of the national defense. Surely they are worthy of having the time properly to adjust their marketing and their planting operations.

Furthermore, when the Commodity Credit Corporation underwrote the price at approximately $6 a bushel, a large number of private processors were compelled to go into the market and pay that price. They have heavy inventories, and anything which at this time would prejudice those inventories precipitously would have a very serious effect upon the industry. It is for those reasons, along with the fact that I do not believe that the Commodity Credit Corporation ought to suffer undue losses, that I join with other Senators in supporting H. R. 5240 and ask for its favorable consideration and passage.

The PRESIDING OFFICER. The question is on the motion of the Senator from South Carolina [Mr. MAYBANK] to proceed to consideration of House bill 5240.

The motion was agreed to, and the Senate proceeded to consider the bill (H. R. 5240) to continue for a temporary period certain powers, authority, and discretion for the purpose of exercising, administering, and enforcing import controls with respect to fats and oils (including butter), and rice and rice products.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment, the question is on the third reading and passage of the bill.

The bill (H. R. 5240) was ordered to a third reading, read the third time, and passed.

THE ECONOMY-MINDED SENATE—EDITORIAL FROM THE NEW YORK TIMES

Mr. McMAHON. Mr. President, I have before me an editorial which was printed in the New York Times this morning, entitled "The Economy-Minded Senate." It begins as follows:

Sixty-two Members of the Senate are now lined up in support of action at the earliest practicable date on a resolution to direct the President to cut 5 to 10 percent from the budget which they themselves have voted, or are in process of voting. If there was ever a clear case of passing the buck in Washington, this is it. The Senate added nearly a half-billion dollars to the first five regular appropriaton bills to come to it from the House of Representatives. Yet 62 Members of the Senate are strong for economy—provided somebody else achieves it.

Then the editorial proceeds further to develop the subject.

Mr. President, I was one of the Senators who supported each effort which has been made in this session to reduce appropriations. I am also, however, conscious of my oath to support the Constitution of the United States. The Constitution clearly lays down standards for the executive, legislative, and judicial branches of the Government. Never, so long as I am a Member of the Senate, will I cast a vote to abdicate the rights of the Senate of the United States, or, moreover, to avoid its duties.

A little more than a year ago there was introduced in the Senate by the Senator from California [Mr. KNOWLAND] a measure in which he proposed an impingement—at least, I deemed it such—on the rights of the Executive in connection with a matter having to do with calling for the FBI files for the inspection of the Senate. I led the fight against it, and I led the fight to sustain the President's veto. That was the only veto by President Truman which was sustained in the Eightieth Congress.

Mr. President, if the Senate should adopt this resolution it will have performed what I regard as a shameful act. When it comes up for consideration I intend to have my say about it, and I shall speak more at length and shall review the history of the action.

I ask unanimous consent that the remainder of the editorial from which I have read be printed in the RECORD following my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE ECONOMY-MINDED SENATE

Sixty-two Members of the Senate are now lined up in support of action at the earliest practicable date on a resolution to direct the President to cut 5 to 10 percent from the budget which they themselves have voted, or are in process of voting. If there was ever a clear case of passing the buck in Washington, this is it. The Senate added nearly a half billion dollars to the first five regular appropriation bills to come to it from the House of Representatives. Yet 62 Members of the Senate are strong for economy—provided somebody else achieves it. When Senator DOUGLAS, of Illinois, proposed to cut 40 percent from that old stand-by, the rivers and harbors bill—which carries many meritorious appropriations but also large chunks of political pork—he was able to muster only 14 votes in support of his motion. But more than 4 times 14 Members of the Senate are now ready to dump on the President's desk a problem which they themselves lack courage or ability to handle.

This approach to the problem is not only an abdication of the Senate's own responsibilities; it is also likely, if adopted, to fall far short of its goal of effecting a saving of $4,000,000,000 in the new fiscal year which begins tomorrow. This is because a large part of the budget is beyond the reach of the directive to the President which the Senate is now considering. The budget carries $5,500,000,000 for interest on the national debt, an item which cannot be reduced; it carries $2,500,000,000 for grants to the States, all authorized by existing law; it carries $2,100,000,000 for veterans, a sum incapable of being cut substantially until Congress itself revises its own laws regarding the benefits now being paid in non-service-connected causes; it carries $14,200,000,000 for national defense and $6,700,000,000 to meet our present international obligations, and while some economies are possible this would be a poor time to cut expenditures drastically at either of these points. There remains about $10,000,000,000 of proposed expenditures for all other purposes of Government. A directed cut of 10 percent limited to this section of the budget would fall far short of the $4,000,000,000 economy now hopefully in view.

These figures lead us back to the starting point, which is that the only sure way to cut the budget is to face the issue squarely, in committee and on the floors of Congress.

WHAT IS RIGHT WITH AMERICA

Mr. MUNDT. Mr. President, for the past several months, as time and opportunity have permitted, I have been addressing different groups of distinguished Americans to the effect that if our American success formula of political independence and the private competitive enterprise system is to win the contest against world socialism, collectivism, and communism, it is imperative that at the grass-roots level private citizens begin energetically to claim and defend the basic elements upon which our great success has been founded.

As one specific recommendation indicating what citizens in their local communities can do to help our American way of life to endure and expand, I have proposed that in each public school there be included a capsule course in clear and constructive terms which could honestly, accurately, and appropriately, be called a course in what is right with America. We all agree America is not utopia. There are and always will be many things to be corrected and improved. However, Mr. President, it is also true that ordinary human beings in the United States are given greater opportunities, higher standards of living, more freedom, and better security than they have received in any other area of the world or in any era of history. It is my position that in every school we should recognize this fact and provide at least one course of instruction which will teach children to understand, to appreciate, and to support the basic formula of political and economic activity which has made the

unprecedented and unparalleled record possible.

I ask unanimous consent to have printed in the RECORD in connection with my remarks an editorial from the Star-Courier, a daily newspaper published in the typical American community of Kewanee, Ill.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WHAT'S RIGHT WITH UNITED STATES

In a recent address before the national conference of small-business men in Washington, South Dakota's Senator KARL MUNDT announced that he was initiating a one-man crusade to sell Americans on the superiority of the American way of life.

His efforts will be directed at inducing chambers of commerce, luncheon clubs, women's clubs, and other organizations to establish what he called "American enterprise committees" among the standing and working committees of their organizations.

The Dakota man, serving his first term in the Senate after an extended period of service in the lower House, outlined what e conceived to be the opportunities and responsibilities of these American enterprise committees.

"Creeping collectivism at home must be resisted," he asserted, "at the local level by private citizens uniting in their community-by-community efforts fully as much as it is necessary to repel these freedom-denying movements by national and international action.

"If every community in America will rid itself of the insidious dangers of collectivism and educate its youth and adult citizens to understand and appreciate the values and virtues of our American enterprise system, we can so strengthen ourselves domestically that our international influence will be correspondingly increased.

"Local committees should crusade unceasingly to portray and improve the functions of the basic formula which has made America great, namely, political independence and private enterprise. Once these two factors of our American success formula are fully accepted and appreciated by every citizen, it will be comparatively easy to repel foreign ideologies which attack their operation or decrease their effectiveness."

In suggesting things to do for these local-level American enterprise committees, Senator MUNDT said:

"Almost all chambers of commerce have committees to increase membership, to beautify the city, to establish closing hours, to improve the streets, et cetera; strangely enough, however, almost none of them have a single committee devoting its time and talents to the most important and immediate problem confronting all of them—the protection and preservation of our American formula of political independence and private enterprise.

"By holding essay contests in the schools; by setting aside 1 week each year for local community-wide programs depicting the basic values of our way of life; by making sure that at least one course in every high school is devoted to portraying What's right with America; by setting aside one Sunday each year to sermons in support of how a free society and a free church are inevitable and exclusive partners; and dozens of other ways throughout the year our local organizations can move constructively to protect a way of life which is fast disappearing from this earth. This is a program which costs nothing but initiative; it is one in which every community can engage."

REPORT ON HIGHWAY NEEDS OF THE NATIONAL DEFENSE—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 249)

The PRESIDING OFFICER (Mr. MCGRATH in the chair) laid before the Senate a message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Public Works.

(For President's message, see today's proceedings of the House of Representatives on p. 8752.)

MESSAGE FROM THE HOUSE—ENROLLED BILL AND JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bill and joint resolution, and they were signed by the Vice President:

H. R. 3083. An act making appropriations for the Treasury and Post Office Departments and funds available for the Export-Import Bank and the Reconstruction Finance Corporation for the fiscal year ending June 30, 1950, and for other purposes; and

H. J. Res. 284. Joint resolution making temporary appropriations for the fiscal year 1950, and for other purposes.

THE NATIONAL HOUSING PROGRAM

The PRESIDING OFFICER (Mr. MCGRATH in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 1070) to establish a national housing objective and the policy to be followed in the attainment thereof, to provide Federal aid to assist slum-clearance projects and low-rent public housing projects initiated by local agencies, to provide for financial assistance by the Secretary of Agriculture for farm housing, and for other purposes, which was to strike out all after the enacting clause and insert:

That this act may be cited as the "Housing Act of 1949."

DECLARATION OF NATIONAL HOUSING POLICY

SEC. 2. The Congress hereby declares that the general welfare and security of the Nation and the health and living standards of its people require housing production and related community development sufficient to remedy the serious housing shortage, the elimination of substandard and other inadequate housing through the clearance of slums and blighted areas, and the realization as soon as feasible of the goal of a decent home and a suitable living environment for every American family, thus contributing to the development and redevelopment of communities and to the advancement of the growth, wealth, and security of the Nation. The Congress further declares that such production is necessary to enable the housing industry to make its full contribution toward an economy of maximum employment, production, and purchasing power. The policy to be followed in attaining the national housing objective hereby established shall be: (1) Private enterprise shall be encouraged to serve as large a part of the total need as it can; (2) governmental assistance shall be utilized where feasible to enable private enterprise to serve more of the total need; (3) appropriate local public bodies shall be encouraged and assisted to undertake positive programs of encouraging and assisting the development of well-planned, integrated residential neighborhoods, the development and redevelopment of communities, and the production, at lower costs, of housing of sound standards of design, construction, livability, and size for adequate family life; (4) governmental assistance to eliminate substandard and other inadequate housing through the clearance of slums and blighted areas, to facilitate community development and redevelopment, and to provide adequate housing for urban and rural nonfarm families with incomes so low that they are not being decently housed in new or existing housing shall be extended to those localities which estimate their own needs and demonstrate that these needs are not being met through reliance solely upon private enterprise, and without such aid; and (5) governmental assistance for decent, safe, and sanitary farm dwellings and related facilities shall be extended where the farm owner demonstrates that he lacks sufficient resources to provide such housing on his own account and is unable to secure necessary credit for such housing from other sources on terms and conditions which he could reasonably be expected to fulfill. The Housing and Home Finance Agency and its constituent agencies, and any other departments or agencies of the Federal Government having powers, functions, or duties with respect to housing, shall exercise their powers, functions, and duties under this or any other law, consistently with the national housing policy declared by this act and in such manner as will facilitate sustained progress in attaining the national housing objective hereby established, and in such manner as will encourage and assist (1) the production of housing of sound standards of design, construction, livability, and size for adequate family life; (2) the reduction of the costs of housing without sacrifice of such sound standards; (3) the use of new designs, materials, techniques, and methods in residential construction, the use of standardized dimensions and methods of assembly of home-building materials and equipment, and the increase of efficiency in residential construction and maintenance; (4) the development of well-planned, integrated, residential neighborhoods and the development and redevelopment of communities; and (5) the stabilization of the housing industry at a high annual volume of residential construction.

TITLE I—SLUM CLEARANCE AND COMMUNITY DEVELOPMENT AND REDEVELOPMENT

LOCAL RESPONSIBILITIES

SEC. 101. In extending financial assistance under this title, the Administrator shall—

(a) give consideration to the extent to which appropriate local public bodies have undertaken positive programs (1) for encouraging housing cost reductions through the adoption, improvement, and modernization of building and other local codes and regulations so as to permit the use of appropriate new materials, techniques, and methods in land and residential planning, design, and construction, the increase of efficiency in residential construction, and the elimination of restrictive practices which unnecessarily increase housing costs, and (2) for preventing the spread or recurrence, in such community, of slums and blighted areas through the adoption, improvement, and modernization of local codes and regulations relating to land use and adequate standards of health, sanitation, and safety for dwelling accommodations; and

(b) encourage the operations of such local public agencies as are established on a State, or regional (within a State), or unified metropolitan basis or as are established on such other basis as permit such agencies to contribute effectively toward the

solution of community development or redevelopment problems on a State, or regional (within a State), or unified metropolitan basis.

LOANS

SEC. 102. (a) To assist local communities in eliminating their slums and blighted areas and in providing maximum opportunity for the redevelopment of project areas by private enterprise, the Administrator may make temporary and definitive loans to local public agencies for the undertaking of projects for the assembly, clearance, preparation, and sale and lease of land for redevelopment. Such loans (outstanding at any one time) shall be in such amounts not exceeding the expenditures to be made by the local public agency as part of the gross project cost, bear interest at such rate (not less than the applicable going Federal rate), be secured in such manner, and be repaid within such period (not exceeding, in the case of definitive loans, 40 years from the date of the bonds evidencing such loans), as may be deemed advisable by the Administrator.

(b) In connection with any project on land which is open or predominantly open, the Administrator may make temporary loans to municipalities or other public bodies for the provision of public buildings or facilities necessary to serve or support the new uses of land in the project area. Such temporary loans shall be in such amounts not exceeding the expenditures to be made for such purpose, bear interest at such rate (not less than the applicable going Federal rate), be secured in such manner, and be repaid within such period (not exceeding 10 years from the date of the obligations evidencing such loans), as may be deemed advisable by the Administrator.

(c) Loans made pursuant to subsection (a) or (b) hereof may be made subject to the condition that, if at any time or times or for any period or periods during the life of the loan contract the local public agency can obtain loan funds from sources other than the Federal Government at interest rates lower than provided in the loan contract, it may do so with the consent of the Administrator at such times and for such periods without waiving or surrendering any rights to loan funds under the contract for the remainder of the life of such contract, and in any such case, the Administrator is authorized to consent to a pledge by the local public agency of the loan contract, and any or all of its rights thereunder, as security for the repayment of the loan funds so obtained from other sources.

(d) The Administrator may make advances of funds to local public agencies for surveys and plans in preparation of projects which may be assisted under this title, and the contracts for such advances of funds may be made upon the condition that such advances of funds shall be repaid, with interest at not less than the applicable going Federal rate, out of any moneys which become available to such agency for the undertaking of the project or projects, involved.

(e) To obtain funds for loans under this title, the Administrator, on and after July 1, 1949, may, with the approval of the President, issue and have outstanding at any one time notes and obligations for purchase by the Secretary of the Treasury in an amount not to exceed $25,000,000, which limit on such outstanding amount shall be increased by $225,000,000 on July 1, 1950, and by further amounts of $250,000,000 on July 1 in each of the years 1951, 1952, and 1953, respectively: *Provided*, That (subject to the total authorization of not to exceed $1,000,000,000) such limit, and any such authorized increase therein, may be increased, at any time or times, by additional amounts aggregating not more than $250,000,000 upon a determination by the President, after receiving advice from the Council of Economic Advisers as to the general effect of such increase upon the conditions in the building industry and upon the national economy, that such action is in the public interest.

(f) Notes or other obligations issued by the Administrator under this title shall be in such forms and denominations, have such maturities, and be subject to such terms and conditions as may be prescribed by the Administrator, with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding marketable obligations of the United States as of the last day of the month preceding the issuance of such notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations of the Administrator issued under this title and for such purpose is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such act, as amended, are extended to include any purchases of such notes and other obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

(g) Obligations, including interest thereon, issued by local public agencies for projects assisted pursuant to this title, and income derived by such agencies from such projects, shall be exempt from all taxation now or hereafter imposed by the United States.

CAPITAL GRANTS

SEC. 103. (a) The Administrator may make capital grants to local public agencies to enable such agencies to make land in project areas available for redevelopment at its fair value for the uses specified in the redevelopment plans: *Provided*, That the Administrator shall not make any contract for capital grant with respect to a project which consists of open unplatted urban or suburban land. The aggregate of such capital grants with respect to all the projects of a local public agency on which contracts for capital grants have been made under this title shall not exceed two-thirds of the aggregate of the net project costs of such projects, and the capital grants with respect to any individual project shall not exceed the difference between the net project cost and the local grants-in-aid actually made with respect to the project.

(b) The Administrator, on and after July 1, 1949, may, with the approval of the President, contract to make capital grants, with respect to projects assisted under this title, aggregating not to exceed $100,000,000, which limit shall be increased by further amounts of $100,000,000 on July 1 in each of the years 1950, 1951, 1952, and 1953, respectively: *Provided*, That (subject to the total authorization of not to exceed $500,000,000) such limit, and any such authorized increase therein, may be increased, at any time or times, by additional amounts aggregating not more than $100,000,000 upon a determination by the President, after receiving advice from the Council of Economic Advisers as to the general effect of such increase upon the conditions in the building industry and upon the national economy, that such action is in the public interest. The faith of the United States is solemnly pledged to the payment of all capital grants contracted for under this title, and there are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the amounts necessary to provide for such payments.

REQUIREMENTS FOR LOCAL GRANTS-IN-AID

SEC. 104. Every contract for capital grant under this title shall require local grants-in-aid in connection with the project involved which, together with the local grants-in-aid to be provided in connection with all other projects of the local public agency on which contracts for capital grants have theretofore been made, will be at least equal to one-third of the aggregate net project costs involved (it being the purpose of this provision and section 103 to limit the aggregate of the capital grants made by the Administrator with respect to all the projects of a local public agency on which contracts for capital grants have been made under this title to an amount not exceeding two-thirds of the difference between the aggregate of the gross project costs of all such projects and the aggregate of the total sales prices and capital values referred to in section 110 (f) of land in such projects).

LOCAL DETERMINATIONS

SEC. 105. Contracts for financial aid shall be made only with a duly authorized local public agency and shall require that—

(a) The redevelopment plan for the project area be approved by the governing body of the locality in which the project is situated, and that such approval include findings by the governing body that (i) the financial aid to be provided in the contract is necessary to enable the land in the project area to be redeveloped in accordance with the redevelopment plan; (ii) the redevelopment plans for the redevelopment areas in the locality will afford maximum opportunity, consistent with the sound needs of the locality as a whole, for the redevelopment of such areas by private enterprise; and (iii) the redevelopment plan conforms to a general plan for the development of the locality as a whole;

(b) When land acquired or held by the local public agency in connection with the project is sold or leased, the purchasers or lessees shall be obligated (i) to devote such land to the uses specified in the redevelopment plan for the project area; (ii) to begin the building of their improvements on such land within a reasonable time; to give preference in the selection of tenants for dwelling units built in the project area to families displaced therefrom because of clearance and redevelopment activity, who desire to live in such units, and who will be able to pay rents or prices charged other families for comparable dwelling units built as part of the same development; and (iii) to comply with such other conditions as the Administrator finds, prior to the execution of the contract for loan or capital grant pursuant to this title, are necessary to carry out the purposes of this title;

(c) There be a feasible method for the temporary relocation of families displaced from the project area, and that there are or are being provided, in the project area or in other areas not generally less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the families displaced from the project area, decent, safe, and sanitary dwellings equal in number to the number of and available to such displaced families and reasonably accessible to their places of employment: *Provided*, That in view of the existing acute housing shortage, each such contract entered into prior to July 1, 1951, shall further provide that there shall be no demolition of residential structures in connection with the project assisted under the contract prior to July 1, 1951, if the local governing body determines that the demolition thereof would reasonably be expected to create undue housing hardship in the locality. No land for any project to be assisted under this title shall be acquired by the local public agency except after public hearing following notice

of the date, time, place, and purpose of such hearing.

GENERAL PROVISIONS

SEC. 106. (a) In the performance of, and with respect to, the functions, powers, and duties vested in him by this title, the Administrator, notwithstanding the provisions of any other law, shall—

(1) appoint a Director to administer the provisions of this title under the direction and supervision of the Administrator and the basic rate of compensation of such position shall be the same as the basic rate of compensation established for the heads of the constituent agencies of the Housing and Home Finance Agency;

(2) prepare annually and submit a budget program as provided for wholly owned Government corporations by the Government Corporation Control Act, as amended;

(3) maintain an integral set of accounts which shall be audited annually by the General Accounting Office in accordance with the principles and procedures applicable to commercial transactions as provided by the Government Corporation Control Act, as amended, and no other audit shall be required: *Provided,* That such financial transactions of the Administrator as the making of advances of funds, loans, or capital grants and vouchers approved by the Administrator in connection with such financial transactions shall be final and conclusive upon all officers of the Government; and

(4) make an annual report to the President, for transmission to the Congress, to be submitted as soon as practicable following the close of the year for which such report is made.

(b) Funds made available to the Administrator pursuant to the provisions of this title shall be deposited in a checking account or accounts with the Treasurer of the United States. Receipts and assets obtained or held by the Administrator in connection with the performance of his functions under this title shall be available for any of the purposes of this title (except for capital grants pursuant to section 103 hereof), and all funds available for carrying out the functions of the Administrator under this title (including appropriations therefor, which are hereby authorized), shall be available, in such amounts as may from year to year be authorized by the Congress, for the administrative expenses of the Administrator in connection with the performance of such functions.

(c) In the performance of, and with respect to, the functions, powers, and duties vested in him by this title, the Administrator, notwithstanding the provisions of any other law, may—

(1) sue and be sued;

(2) foreclose on any property or commence any action to protect or enforce any right conferred upon him by any law, contract, or other agreement, and bid for and purchase at any foreclosure or any other sale any project or part thereof in connection with which he has made a loan or capital grant pursuant to this title. In the event of any such aquisition, the Administrator may, notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real property by the United States, complete, administer, dispose of, and otherwise deal with, such project or part thereof: *Provided,* That any such acquisition of real property shall not deprive any State or political subdivision thereof of its civil jurisdiction in and over such property or impair the civil rights under the State or local laws of the inhabitants of such property;

(3) enter into agreements to pay annual sums in lieu of taxes to any State or local taxing authority with respect to any real property so acquired or owned, and such sums shall approximate the taxes which would be paid upon such property to the State or local taxing authority, as the case may be, if such property were not exempt from taxation.

(4) sell or exchange at public or private sale, or lease, real or personal property, and sell or exchange any securities or obligations, upon such terms as he may fix;

(5) obtain insurance against loss in connection with property and other assets held;

(6) subject to the specific limitations in this title, consent to the modification, with respect to rate of interest, time of payment of any installment of principal or interest, security, amount of capital grant, or any other term, of any contract or agreement to which he is a party or which has been transferred to him pursuant to this title; and

(7) include in any contract or instrument made pursuant to this title such other covenants, conditions, or provisions (including such covenants, conditions, or provisions as, in the determination of the Administrator, are necessary or desirable to prevent the payment of excessive prices for the acquisition of land in connection with projects assisted under this title) as he may deem necessary to assure that the purposes of this title will be achieved. No provision of this title shall be construed or administered to permit speculation in land holding.

(d) Section 3709, as amended, of the Revised Statutes shall not apply to any contract for services or supplies on account of any property acquired pursuant to this title if the amount of such contract does not exceed $1,000.

(e) Not more than 10 percent of the funds provided for in this title, either in the form of loans or grants, shall be expended in any one State.

PAYMENT FOR LAND USED FOR LOW-RENT PUBLIC HOUSING

SEC. 107. If the land for a low-rent housing project assisted under the United States Housing Act of 1937, as amended, is made available from a project assisted under this title, payment equal to the fair value of the land for the uses specified in accordance with the redevelopment plan shall be made therefor by the public housing agency undertaking the housing project, and such amount shall be included as part of the development cost of the low-rent housing project.

SURPLUS FEDERAL REAL PROPERTY

SEC. 108. The President may at any time in his discretion, transfer, or cause to be transferred, to the Administrator any right, title, or interest held by the Federal Government or any department or agency thereof in any land (including buildings thereon) which is surplus to the needs of the Government and which a local public agency certifies will be within the area of a project being planned by it. When such land is sold to the local public agency by the Administrator, it shall be sold at a price equal to its fair market value, and the proceeds from such sale shall be covered into the Treasury as miscellaneous receipts.

PROTECTION OF LABOR STANDARDS

SEC. 109. In order to protect labor standards—

(a) Any contract for financial aid pursuant to this title shall contain a provision requiring that not less than the salaries prevailing in the locality, as determined or adopted (subsequent to a determination under applicable State or local law) by the Administrator, shall be paid to all architects, technical engineers, draftsmen, and technicians employed in the development of the project involved and shall also contain a provision that not less than the wages prevailing in the locality, as determined by the Secretary of Labor pursuant to the Davis-Bacon Act (49 Stat. 1011), shall be paid to all laborers and mechanics employed in the development of the project involved; and the Administrator shall require certification as to compliance with the provisions of this paragraph prior to making any payment under such contract;

(b) The provisions of title 18, United States Code, section 874, and of title 40, United States Code, section 276c, shall apply to any project financed in whole or in part with funds made available pursuant to this title;

(c) Any contractor engaged on any project financed in whole or in part with funds made available pursuant to this title shall report monthly to the Secretary of Labor, and shall cause all subcontractors to report in like manner, within 5 days after the close of each month and on forms to be furnished by the United States Department of Labor, as to the number of persons on their respective pay rolls on the particular project, the aggregate amount of such pay rolls, the total man-hours worked, and itemized expenditures for materials. Any such contractor shall furnish to the Department of Labor the names and addresses of all subcontractors on the work at the earliest date practicable.

DEFINITIONS

SEC. 110. The following terms shall have the meanings, respectively, ascribed to them below, and, unless the context clearly indicates otherwise, shall include the plural as well as the singular number:

(a) "Redevelopment area" means an area which is appropriate for development or redevelopment and within which a project area is located.

(b) "Redevelopment plan" means a plan, as it exists from time to time, for the development or redevelopment of a redevelopment or project area, which plan shall be sufficiently complete (1) to indicate its relationship to definite local objectives as to appropriate land uses and improved traffic, public transportation, public utilities, recreational and community facilities, and other public improvements; and (2) to indicate proposed land uses and building requirements in the project area: *Provided,* That the Administrator shall take such steps as he deems necessary to assure consistency between the redevelopment plan and any highways or other public improvements in the locality receiving financial assistance from the Federal Works Agency.

(c) "Project" may include (1) acquisition of (i) a slum area or a deteriorating area which is predominantly residential in character, or (ii) any other deteriorated or deteriorating area which is to be developed or redeveloped for predominantly residential uses, or (iii) land which is predominantly open and which because of obsolete platting, diversity of ownership, deterioration of structures or of site improvements, or otherwise substantially impairs or arrests the sound growth of the community and which is to be developed for predominantly residential uses, or (iv) open land necessary for sound community growth which is to be developed for predominantly residential uses (in which event the project thereon, as provided in the proviso of section 103 (a) hereof, shall not be eligible for any capital grant); (2) demolition and removal of buildings and improvements; (3) installation, construction, or reconstruction of streets, utilities, and other site improvements essential to the preparation of sites for uses in accordance with the redevelopment plan; and (4) making the land available for development or redevelopment by private enterprise or public agencies (including sale, initial leasing, or retention by the local public agency itself) at its fair value for uses in accordance with the redevelopment plan. For the purposes of this title, the term "project" shall not include the construction of any of the buildings contemplated by the redevelopment plan, and the term "redevelopment" and derivatives thereof shall mean develop as well as redevelop. For any of the purposes of section 109 hereof, the term "project" shall not include any donations or provisions made as local grants-in-aid and eligible as such

pursuant to clauses (2) and (3) of section 110 (d) hereof.

(d) "Local grants-in-aid" shall mean assistance by a State, municipality, or other public body, or any other entity, in connection with any project on which a contract for capital grant has been made under this title, in the form of (1) cash grants; (2) donations, at cash value, or land (exclusive of land in streets, alleys, and other public rights-of-way which may be vacated in connection with the project), and demolition or removal work, or site improvements in the project area, at their cost; and (3) the provision, at their cost, of parks, playgrounds, and public buildings or facilities (other than low-rent public housing) which are primarily of direct benefit to the project and which are necessary to serve or support the new uses of land in the project area in accordance with the redevelopment plan: *Provided*, That, in any case where, in the determination of the Administrator, any park, playground, public building, or facility is of direct and substantial benefit both to the project and to other areas, the Administrator shall provide that, for the purposes of computing the amount of the local grants-in-aid for such project there shall be included an allowance of an appropriate portion (as determined by the Administrator) of the cost of such park, playground, public building, or facility. No demolition or removal work, improvement, or facility for which a State, municipality, or other public body has received or has contracted to receive any grant or subsidy from the United States, or any agency or instrumentality thereof, for such work, or the construction of such improvement or facility, shall be eligible for inclusion as a local grant-in-aid in connection with a project or projects assisted under this title.

(e) "Gross project cost" shall comprise (1) the amount of the expenditures by the local public agency with respect to any and all undertakings necessary to carry out the project (including the payment of carrying charges, but not beyond the point where the project is completed), and (2) the amount of such local grants-in-aid as are furnished in forms other than cash.

(f) "Net project cost" shall mean the difference between the gross project cost and the aggregate of (1) the total sales prices of all land sold, and (2) the total capital values (i) imputed, on a basis approved by the Administrator, to all land leased, and (ii) used as a basis for determining the amounts to be transferred to the project from other funds of the local public agency to compensate for any land retained by it for use in accordance with the redevelopment plan.

(g) "Going Federal rate" means the annual rate of interest (or, if there shall be two or more such rates of interest, the highest thereof) specified in the most recently issued bonds of the Federal Government having a maturity of 10 years or more, determined at the date the contract for advance of funds or for loan is made. Any contract for loan made may be revised or superseded by a later contract, so that the going Federal rate, on the basis of which the interest rate on the loan is fixed, shall mean the going Federal rate, as herein defined, on the date that such contract is revised or superseded by such later contract.

(h) "Local public agency" means any State, county, municipality, or other governmental entity or public body which is authorized to undertake the project for which assistance is sought. "State" includes the several States, the District of Columbia, and the Territories, dependencies, and possessions of the United States.

(i) "Administrator" means the Housing and Home Finance Administrator.

TITLE II—AMENDMENTS TO NATIONAL HOUSING ACT

SEC. 201. The National Housing Act, as amended, is hereby amended—

(1) by striking out of the first sentence of section 2 (a) "July 1, 1949" and inserting in lieu thereof "September 1, 1949";

(2) by striking out of the proviso in section 203 (a) "$4,000,000,000" and inserting in lieu thereof "$5,300,000,000" and by striking out of such proviso "$5,000,000,000" and inserting in lieu thereof "$5,500,000,000"; and

(3) by striking out of the second proviso in section 603 (a) "June 30, 1949" in each place where it appears therein and inserting in lieu thereof "August 31, 1949".

TITLE III—LOW-RENT PUBLIC HOUSING

LOCAL RESPONSIBILITIES AND DETERMINATIONS; TENANCY ONLY BY LOW-INCOME FAMILIES

SEC. 301. The United States Housing Act of 1937, as amended, is hereby amended by adding the following additional subsections to section 15:

"(7) In recognition that there should be local determination of the need for low-rent housing to meet needs not being adequately met by private enterprise—

"(a) the Authority shall not make any contract with a public housing agency for preliminary loans (all of which shall be repaid out of any moneys which become available to such agency for the development of the projects involved) for surveys and planning in respect to any low-rent housing projects initiated after March 1, 1949, (i) unless the governing body of the locality involved has by resolution approved the application of the public housing agency for such preliminary loan; and (ii) unless the public housing agency has demonstrated to the satisfaction of the Authority that there is a need for such low-rent housing which is not being met by private enterprise; and

"(b) the Authority shall not make any contract for loans (other than preliminary loans) or for annual contributions pursuant to this act with respect to any low-rent housing project initiated after March 1, 1949, (i) unless the governing body of the locality involved has entered into an agreement with the public housing agency providing for the local cooperation required by the Authority pursuant to this act; and (ii) unless the public housing agency has demonstrated to the satisfaction of the Authority that a gap of at least 20 percent has been left between the upper rental limits for admission to the proposed low-rent housing and the lowest rents at which private enterprise unaided by public subsidy is providing (through new construction and available existing structures) a substantial supply of decent, safe, and sanitary housing toward meeting the need of an adequate volume thereof.

"(8) Every contract made pursuant to this act for annual contributions for any low-rent housing project initiated after March 1, 1949, shall provide that—

"(a) the public housing agency shall fix maximum income limits for the admission and for the continued occupancy of families in such housing, that such maximum income limits and all revisions thereof shall be subject to the prior approval of the Authority, and that the Authority may require the public housing agency to review and to revise such maximum income limits if the Authority determines that changed conditions in the locality make such revisions necessary in achieving the purposes of this act;

"(b) a duly authorized official of the public housing agency involved shall make periodic written statements to the Authority that an investigation has been made of each family admitted to the low-rent housing project involved during the period covered thereby, and that, on the basis of the report of said investigation, he has found that each such family at the time of its admission (i) had a net family income not exceeding the maximum income limits theretofore fixed by the public housing agency (and approved by the Authority) for admission of families of low income to such housing; and (ii) lived in an unsafe, insanitary, or overcrowded dwelling, or was to be displaced by another low-rent housing project or by a public slum-clearance or redevelopment project, or actually was without housing, or was about to be without housing as a result of a court order of eviction, due to causes other than the fault of the tenant: *Provided*, That the requirement in (ii) shall not be applicable in the case of the family of any veteran or serviceman (or of any deceased veteran or serviceman) where application for admission to such housing is made not later than 5 years after March 1, 1949;

"(c) in the selection of tenants (i) the public housing agency shall not discriminate against families, otherwise eligible for admission to such housing, because their incomes are derived in whole or in part from public assistance and (ii) in initially selecting families for admission to dwellings of given sizes and at specified rents the public housing agency shall (subject to the preferences prescribed in subsection 10 (g) of this act) give preference to families having the most urgent housing need, and thereafter, in selecting families for admission to such dwellings, shall give due consideration to the urgency of the families' housing needs; and

"(d) the public housing agency shall make periodic reexaminations of the net incomes of tenant families living in the low-rent housing project involved; and if it is found, upon such reexamination, that the net incomes of any such families have increased beyond the maximum income limits fixed by the public housing agency (and approved by the Authority) for continued occupancy in such housing, such families shall be required to move from the project."

VETERANS' PREFERENCES

SEC. 302. The United States Housing Act of 1937, as amended, is hereby amended as follows:

(a) By adding the following new subsection to section 10:

"(g) Every contract made pursuant to this act for annual contributions for any low-rent housing project initiated after March 1, 1949, shall require that the public-housing agency, as among low-income families which are eligible applicants for occupancy in dwellings of given sizes and at specified rents, shall extend the following preferences in the selection of tenants:

"First, to families which are to be displaced by any low-rent housing project or by any public slum-clearance or redevelopment project, or which were so displaced within 3 years prior to making application to such public-housing agency for admission to any low-rent housing; and as among such families where an application for admission is made not later than 5 years after March 1, 1949, first preference shall be given to families of disabled veterans whose disability has been determined by the Veterans' Administration to be service-connected, and second preference shall be given to families of other veterans and servicemen (including families of deceased veterans or servicemen);

"Second, to families of other veterans and servicemen (including families of deceased veterans or servicemen) where an application for admission is made not later than 5 years after March 1, 1949; and as among such families first preference shall be given to families of disabled veterans whose disability has

been determined by the Veterans' Administration to be service-connected."

(b) By adding the following new subsection to section 2:

"(14) The term 'veteran' shall mean a person who has served in the active military or naval service of the United States at any time on or after September 16, 1940, and prior to July 26, 1947, and who shall have been discharged or released therefrom under conditions other than dishonorable. The term 'serviceman' shall mean a person in the active military or naval service of the United States who has served therein on or after September 16, 1940, and prior to July 26, 1947."

COST LIMITS

SEC. 303. Subsection 15 (5) of the United States Housing Act of 1937, as amended, is hereby amended to read as follows:

"(5) No contract for any loan, annual contribution, or capital grant made pursuant to this act shall be entered into by the Authority with respect to any low-rent housing project completed after January 1, 1948, having a cost for construction and equipment of more than $1,750 per room (excluding land, demolition, and nondwelling facilities); except that in the case of Alaska any such contract may be entered into with respect to a project having a cost for construction and equipment of not to exceed $2,500 per room (excluding land, demolition, and nondwelling facilities): *Provided,* That if the Administrator finds that in the geographical area of any project (i) it is not feasible under the aforesaid cost limitations to construct the project without sacrifice of sound standards of construction, design, and livability, and (ii) there is an acute need for such housing, he may prescribe in such contract cost limitations which may exceed by not more than $750 per room the limitations that would otherwise be applicable to such project hereunder. The Authority shall make loans, grants, and annual contributions only for such low-rent housing projects as it finds are to be undertaken in such a manner that such projects will not be of elaborate or extravagant design or materials, and economy will be promoted both in construction and administration. In order to attain the foregoing objective, every contract for financial assistance entered into with respect to any low-rent housing project initiated after March 1, 1949, shall provide that no award of the main construction contract for such project shall be made unless the Authority, taking into account the level of construction costs prevailing in the locality where such project is to be located, shall have specifically approved the amount of such main construction contract."

PRIVATE FINANCING

SEC. 304. In order to stimulate increasing private financing of low-rent housing projects, the United States Housing Act of 1937, as amended, is hereby amended as follows:

(a) The last proviso of subsection (b) of section 10 is repealed, and subsection (f) of said section is amended to read as follows:

"(f) Payments under annual contributions contracts shall be pledged as security for any loans obtained by a public housing agency to assist the development or acquisition of the housing project to which the annual contributions relate.";

(b) The following is added after section 21:

"PRIVATE FINANCING

"SEC. 22. To facilitate the enlistment of private capital through the sale by public housing agencies of their bonds and other obligations to others than the Authority, in financing low-rent housing projects, and to maintain the low-rent character of housing projects—

"(a) Every contract for annual contributions (including contracts which amend or supersede contracts previously made) may provide that—

"(1) upon the occurrence of a substantial default in respect to the covenants or conditions to which the public housing agency is subject (as such substantial default shall be defined in such contract), the public housing agency shall be obligated at the option of the Authority, either to convey title in any case where, in the determination of the Authority (which determination shall be final and conclusive), such conveyance of title is necessary to achieve the purposes of this act, or to deliver possession to the Authority of the project, as then constituted, to which such contract relates;

"(2) the Authority shall be obligated to reconvey or to redeliver possession of the project, as constituted at the time of reconveyance or redelivery, to such public housing agency or to its successor (if such public housing agency or a successor exists) upon such terms as shall be prescribed in such contract and as soon as practicable: (i) After the Authority shall be satisfied that all defaults with respect to the project have been cured, and that the project will, in order to fulfill the purposes of this act, thereafter be operated in accordance with the terms of such contract; or (ii) after the termination of the obligation to make annual contributions available unless there are any obligations or covenants of the public housing agency to the Authority which are then in default. Any prior conveyances and reconveyances, deliveries and redeliveries of possession shall not exhaust the right to require a conveyance or delivery of possession of the project to the Authority pursuant to subparagraph (1), upon the subsequent occurrence of a substantial default.

"(b) Whenever such contract for annual contributions shall include provisions which the Authority, in said contract, determines are in accordance with subsection (a) hereof, and the annual contributions, pursuant to such contract, have been pledged by the public housing agency as security for the payment of the principal and interest on any of its obligations, the Authority (notwithstanding any other provisions of this act, shall continue to make annual contributions available for the project so long as any of such obligations remain outstanding, and may covenant in such contract (in lieu of the provision required by the first sentence of subsection 15 (3) of this act) that in any event such annual contributions shall in each year be at least equal to an amount which, together with such income or other funds as are actually available from the project for the purpose at the time such annual contribution is made, will suffice for the payment of all installments, falling due within the next succeeding 12 months, of principal and interest on the obligations for which the annual contributions provided for in the contract shall have been pledged as security: *Provided,* That such annual contributions shall not be in excess of the maximum sum determined pursuant to the provisions of this act; and in no case shall such annual contributions be in excess of the maximum sum specified in the contract involved, nor for longer than the remainder of the maximum period fixed by the contract.";

(c) In the fourth sentence of section 9 the words "going Federal rate at the time the loan is made," are deleted; in the first proviso of subsection 10 (b) the words "going Federal rate of interest at the time such contract is made" are deleted; and in lieu thereof in each case there are substituted the words "applicable going Federal rate"; and subsection 2 (10) is amended to read as follows:

"(10) The term 'going Federal rate' means the annual rate of interest (or, if there shall be two or more such rates of interest, the highest thereof) specified in the most recently issued bonds of the Federal Government having a maturity of 10 years or more, determined, in the case of loans or annual contributions, respectively, at the date of Presidential approval of the contract pursuant to which such loans or contributions are made: *Provided,* That for the purposes of this act, the going Federal rate shall be deemed to be not less than 2½ percent.";

(d) Section 9 is amended by striking out the period at the end of said section and adding a colon and the following: *"Provided,* That in the case of projects initiated after March 1, 1949, with respect to which annual contributions are contracted for pursuant to this act, loans shall not be made for a period exceeding 40 years from the date of the bonds evidencing the loan: *And provided further,* That, in the case of such projects or any other projects with respect to which the contracts (including contracts which amend or supersede contracts previously made) provide for loans for a period not exceeding 40 years from the date of the bonds evidencing the loan and for annual contributions for a period not exceeding 40 years from the date the first annual contribution for the project is paid, such loans shall bear interest at a rate not less than the applicable going Federal rate.";

(e) Subsection 10 (c) is amended by striking out the period at the end of the last sentence and adding a colon and the following: *"Provided,* That in the case of projects initiated after March 1, 1949, contracts for annual contributions shall not be made for a period exceeding 40 years from the date the first annual contribution for the project is paid: *And provided further,* That, in the case of such projects or any other projects with respect to which the contracts for annual contributions (including contracts which amend or supersede contracts previously made) provide for annual contributions for a period not exceeding 40 years from the date the first annual contribution for the project is paid, the fixed contribution may exceed the amount provided in the first proviso of subsection (b) of this section by 1 percent of development or acquisition cost.";

(f) The first sentence of subsection 10 (c) is amended to read as follows: "Every contract for annual contributions shall provide that whenever in any year the receipts of a public housing agency in connection with a low-rent housing project exceed its expenditures (including debt service, administration, maintenance, establishment of reserves, and other costs and charges), an amount equal to such excess shall be applied, or set aside for application, to purposes which, in the determination of the Authority, will effect a reduction in the amount of subsequent annual contributions.";

(g) Section 14 is amended by inserting the following after the first sentence: "When the Authority finds that it would promote economy or be in the financial interest of the Federal Government, any contract heretofore or hereafter made for annual contributions, loans, or both, may, with Presidential approval, be amended or superseded by a contract of the Authority so that the going Federal rate on the basis of which such annual contributions or interest rate on the loans, or both, respectively, are fixed shall mean the going Federal rate, as herein defined, on the date of Presidential approval of such amending or superseding contract: *Provided,* That contracts may not be amended or superseded in a manner which would impair the rights of the holders of any outstanding obligations of the public housing agency involved for which annual contributions have been pledged.";

(h) Section 20 is amended to read as follows:

"SEC. 20. The Authority may issue and have outstanding at any one time notes and other obligations for purchase by the Secretary of

the Treasury in an amount not to exceed $1,500,000,000. Such notes or other obligations shall be in such forms and denominations, shall have such maturities, and shall be subject to such terms and conditions as may be prescribed by the Authority with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding marketable obligations of the United States as of the last day of the month preceding the issuance of the notes or other obligations by the Authority. The Secretary of the Treasury is authorized and directed to purchase any notes or other obligations of the Authority issued hereunder and for such purpose is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such act, as amended, are extended to include any purchases of such obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.";

(i) Subsection 2 (5) is amended to read as follows:

"(5) The term 'development' means any or all undertakings necessary for planning, land acquisition, demolition, construction, or equipment, in connection with a low-rent housing project. The term 'development cost' shall comprise the costs incurred by a public housing agency in such undertakings and their necessary financing (including the payment of carrying charges, but not beyond the point of physical completion), and in otherwise carrying out the development of such project. Construction activity in connection with a low-rent housing project may be confined to the reconstruction, remodeling, or repair of existing buildings."; and

(j) The following additional subsection is added to section 15:

"(9) Any contract for loans or annual contributions, or both, entered into by the Authority with a public housing agency, may cover one or more than one low-rent housing project owned by said public housing agency; in the event such contract covers two or more projects, such projects may, for any of the purposes of this act and of such contract (including, but not limited to, the determination of the amount of the loan, annual contributions, or payments in lieu of taxes, specified in such contract), be treated collectively as one project."

ANNUAL CONTRIBUTIONS

SEC. 305. The United States Housing Act of 1937, as amended, is hereby amended as follows:

(a) By inserting the following after the first sentence of subsection (e) of section 10: "With respect to projects assisted pursuant to this act, the Authority (in addition to the amount authorized by the first sentence of this subsection) is authorized, with the approval of the President, to enter into contracts, on and after July 1, 1949, for annual contributions aggregating not more than $85,000,000 per annum, which limit shall be increased by further amounts of $80,000,000 on July 1 in each of the years 1950, 1951, and 1952, respectively, and by $75,000,000 on July 1, 1953: *Provided*, That (subject to the total additional authorization of not more than $400,000,000 per annum) such limit, and any such authorized increase therein, may be increased at any time or times by not to exceed in any fiscal year an additional amount of $80,000,000 upon a determination by the President, after receiving advice from the Council of Economic Advisers as to the general effect of such increase upon conditions in the building industry and upon the national economy, that such action is in the public interest: *And provided further*, That 10 percent of each amount of authorization to enter into contracts for annual contributions becoming available hereunder shall, for a period of 3 years after such amount of authorization becomes available, be available only for annual contributions contracts with respect to projects to be located in rural nonfarm areas. With respect to projects initiated after March 1, 1949, the Authority may authorize the commencement of construction of not to exceed 150,000 dwelling units after July 1, 1949, which limit shall be increased by further amounts of 150,000 dwelling units on July 1 in each of the years 1950 through and including 1955, respectively: *Provided*, That (subject to the authorization of not to exceed 1,050,000 dwelling units) such limit, and any such authorized increase therein, may be increased at any time or times by not to exceed in any fiscal year an additional 100,000 dwelling units, or may be decreased at any time or times by not to exceed in any fiscal year 100,000 dwelling units, upon a determination by the President, after receiving advice from the Council of Economic Advisers as to the general effect of such increase or decrease upon conditions in the building industry and upon the national economy, that such action is in the public interest: *And provided further*, That contracts for annual contributions with respect to low-rent housing projects initiated after March 1, 1949, shall not provide for the development of more than 1,050,000 dwelling units without further authorization from the Congress."; and

(b) By deleting the third sentence of subsection 10 (a) and adding the following new subsection to section 10:

"(h) Every contract made pursuant to this act for annual contributions for any low-rent housing project initiated after March 1, 1949, shall provide that no annual contributions by the Authority shall be made available for such project unless such project is exempt from all real and personal property taxes levied or imposed by the State, city, county, or other political subdivisions, but such contract may authorize the public housing agency to make payments in lieu of such taxes in an annual amount not in excess of 10 percent of the annual shelter rents charged in such project: *Provided*, That, with respect to any such project to be located in any State where, by reason of constitutional limitations or otherwise, such project is not exempt from all real and personal property taxes levied or imposed by the State, city, county, or other political subdivision, such contract may provide, in lieu of the requirement for tax exemption, that no annual contributions by the Authority shall be made available for such project unless and until the State, city, county, or other political subdivision in which such project is situated shall contribute, in the form of cash, at least 20 percent of the annual contributions paid by the Authority. In respect to low-rent housing projects initiated prior to March 1, 1949, the Authority may, after the effective date of the Housing Act of 1949, authorize payments in lieu of taxes for each of the project fiscal years in respect to which annual contributions were payable during the 2-year period ending June 30, 1949, in amounts which, together with amounts already paid, will not exceed the greater of either (i) 5 percent of the shelter rents charged in such project for each of such project fiscal years, or (ii) the amounts specified in the cooperation agreements in effect July 1, 1947, between the public housing agencies and the political subdivisions in which the projects are located, or in the ordinances or resolutions of such political subdivisions in effect on such date. In respect of such low-rent housing projects initiated prior to March 1, 1949, the contracts for annual contributions may be amended as to project fiscal years in respect to which annual contributions are payable on or after July 1, 1949, so as to require exemption from real and personal property taxes in lieu of any other requirements as to local contributions and to permit payments in lieu of taxes on the terms prescribed in the first sentence of this subsection; in the event that the contracts for annual contributions are not so amended, payments in lieu of taxes in respect to such project fiscal years shall be limited to the amount specified in the cooperation agreements or ordinances or resolutions in effect July 1, 1947."

SPECIAL PROVISIONS FOR LARGE FAMILIES OF LOW INCOME

SEC. 306. In order to enable low-rent housing to better serve the needs of large families of low income, the United States Housing Act of 1937, as amended, is hereby amended by deleting the second sentence of subsection 2 (1) and substituting therefor the following: "The dwellings in low-rent housing as defined in this act shall be available solely for families whose net annual income at the time of admission, less an exemption of $100 for each minor member of the family other than the head of the family and his spouse, does not exceed five times the annual rental (including the value or cost to them of water, electricity, gas, other heating and cooking fuels, and other utilities) of the dwellings to be furnished such families. For the sole purpose of determining eligibility for continued occupancy, a public housing agency may allow, from the net income of any family, an exemption for each minor member of the family (other than the head of the family and his spouse) of either (a) $100, or (b) all or any part of the annual income of such minor. For the purposes of this subsection, a minor shall mean a person less than 21 years of age."

TECHNICAL AMENDMENTS

SEC. 307. The United States Housing Act of 1937, as amended, is hereby amended as follows:

(a) By deleting from section 1 the words "rural or urban communities" and by substituting therefor the words "urban and rural nonfarm areas";

(b) (1) By adding at the end of subsection 2 (11) the following new sentence: "The Authority shall enter into contracts for financial assistance with a State or State agency where such State or State agency makes application for such assistance for an eligible project which, under the applicable laws of the State, is to be developed and administered by such State or State agency."; and

(2) By adding the following new subsection to section 2:

"(15) The term 'initiated' when used in reference to the date on which a project was initiated refers to the date of the first contract for financial assistance in respect to such project entered into by the Authority and the public housing agency.";

(c) By adding to section 6 the following new subsection:

"(e) With respect to all projects under title II of Public Law 671, Seventy-sixth Congress, approved June 28, 1940, references therein to the United States Housing Act of 1937, as amended, shall include all amendments to said act made by the Housing Act of 1949 or by any other law thereafter enacted.";

(d) By deleting the proviso in subsection 10 (a) and the proviso in subsection 11 (a), and in each case changing the colon preceding the word *"Provided"* to a period;

(e) By amending the second sentence of subsection 13 (a) to read as follows: "The Authority may bid for and purchase at any foreclosure by any party or at any other sale, or (pursuant to sec. 22 or otherwise) acquire or take possession of any project which

it previously owned or in connection with which it has made a loan, annual contribution, or capital grant; and in such event the Authority may complete, administer, pay the principal of and interest on any obligations issued in connection with such project, dispose of, and otherwise deal with, such projects or parts thereof, subject, however, to the limitations elsewhere in this act governing their administration and disposition.";

(f) By amending subsection 16 (2) by inserting after the words "contain a provision requiring that" the words "not less than";

(g) By amending subsection 21 (d) to read as follows:

"(d) Not more than 10 percent of the total annual amount of $428,000,000 provided in this act for annual contributions, nor more than 10 percent of the amounts provided for in this act for grants, shall be expended within any one State"; and

(h) By renumbering sections 22 to 30, inclusive, so that they become sections 23 to 31, inclusive.

TITLE IV—HOUSING RESEARCH

SEC. 401. Title III of Public Law 901, Eightieth Congress, approved August 10, 1948, is hereby amended to read as follows:

"SEC. 301. The Housing and Home Finance Administrator shall—

"(a) Undertake and conduct a program with respect to technical research and studies concerned with the development, demonstration, and promotion of the acceptance and application of new and improved techniques, materials, and methods which will permit progressive reductions in housing construction and maintenance costs, and stimulate the increased and sustained production of housing, and concerned with housing economics and other housing market data. Such program may be concerned with improved and standardized building codes and regulations and methods for the more uniform administration thereof, standardized dimensions and methods for the assembly of home-building materials and equipment, improved residential design and construction, new and improved types of housing components, building materials and equipment, and methods of production, distribution, assembly, and construction, and sound techniques for the testing thereof and for the determination of adequate performance standards, and may relate to appraisal, credit, and other housing market data, housing needs, demand and supply, finance and investment, land costs, use and improvement, site planning and utilities, zoning and other laws, codes, and regulations as they apply to housing, other factors affecting the cost of housing, and related technical and economic research. Contracts may be made by the Administrator for technical research and studies authorized by this subsection for work to continue not more than 4 years from the date of any such contract. Notwithstanding the provisions of section 5 of the act of June 20, 1874, as amended (31 U. S. C. 713), any unexpended balances of appropriations properly obligated by contracting with an organization as provided in this subsection may remain upon the books of the Treasury for not more than five fiscal years before being carried to the surplus fund and covered into the Treasury. All contracts made by the Administrator for technical research and studies authorized by this or any other act shall contain requirements making the results of such research or studies available to the public through dedication, assignment to the Government, or such other means as the Administrator shall determine. The Administrator shall disseminate, and without regard to the provisions of 39 United States Code 321n, the results of such research and studies in such form as may be most useful to industry and to the general public. Notwithstanding any other provisions of law except provisions enacted expressly in limitation hereof, the Administrator is authorized to consolidate, with the functions and activities performed under this subsection, any functions or activities now being performed or which, otherwise, would be performed by any constituent agency of the Housing and Home Finance Agency with respect to housing market data, and with respect to any other function or activity which the Administrator is authorized to perform by this subsection, if he determines that such consolidation is practicable and will promote more effective administration. The Administrator shall utilize the authority under this subsection with respect to housing market data to secure such information and data as may be required in connection with the functions of the constituent agencies within the Housing and Home Finance Agency and his supervision and coordination of the functions of said agencies, and in connection with determinations and approvals under section 15 (7) (b) (ii) and section 15 (8) (a) of the United States Housing Act of 1937, as amended: *Provided*, That this sentence shall not be construed as a limitation upon the authority conferred upon the Administrator by this subsection.

"(b) Prepare and submit to the President and to the Congress estimates of national urban and rural nonfarm housing needs and reports with respect to the progress being made toward meeting such needs, and correlate and recommend proposals for such executive action or legislation as may be necessary or desirable for the furtherance of the national housing objective and policy established by this act, with respect to urban and rural nonfarm housing, together with such other reports or information as may be required of the Administrator by the President or the Congress.

"(c) Encourage localities to make studies of their own housing needs and markets, along with surveys and plans for housing, urban land use and related community development, and provide, where requested and needed by the localities, technical advice and guidance in the making of such studies, surveys, and plans. To facilitate the cooperation of Federal agencies in carrying out such studies or surveys, such Federal agencies are hereby authorized to accept funds and reimburse their appropriation for the cost of such studies or surveys.

"SEC. 302. In carrying out research and studies under this title, the Administrator shall utilize, to the fullest extent feasible, the available facilities of other departments, independent establishments, and agencies of the Federal Government, and shall consult with, and make recommendations to, such departments, independent establishments, and agencies with respect to such action as may be necessary and desirable to overcome existing gaps and deficiencies in available housing data or in the facilities available for the collection of such data. The Administrator is further authorized, for the purposes of this title, to undertake research and studies cooperatively with industry and labor, and with agencies of State or local governments, and educational institutions and other nonprofit organizations. For the purpose of entering into contracts with any State or local public agency or instrumentality, or educational institution or other nonprofit agency or organization, in carrying out any research or studies authorized by this title, the Administrator may exercise any of the powers vested in him by section 502 (c) of the Housing Act of 1948.

"SEC. 303. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this title.

"SEC. 304. The Administrator shall appoint a Director to administer the provisions of this title under the direction and supervision of the Administrator, and the basic rate of compensation of such position shall be the same as the basic rate of compensation established for the heads of the constitutent agencies of the Housing and Home Finance Agency."

TITLE V—VETERANS' PREFERENCES

SEC. 501. The United States Housing Act of 1937, as amended, is hereby amended as follows:

(a) By adding the following new subsection to section 10:

"(g) Every contract made pursuant to this act for annual contributions for any low-rent housing project shall require that the public housing agency, as among low-income families which are eligible applicants for occupancy in dwellings of given sizes and at specified rents, shall extend the following preferences in the selection of tenants:

"First, to families which are to be displaced by any low-rent housing project or by any public slum-clearance or redevelopment project initiated after January 1, 1947, or which were so displaced within 3 years prior to making application to such public housing agency for admission to any low-rent housing; and as among such families first preference shall be given to families of disabled veterans whose disability has been determined by the Veterans' Administration to be service-connected, and second preference shall be given to families of deceased veterans and servicemen whose death has been determined by the Veterans' Administration to be service-connected, and third preference shall be given to families of other veterans and servicemen;

"Second, to families of other veterans and servicemen and as among such families first preference shall be given to families of disabled veterans whose disability has been determined by the Veterans' Administration to be service-connected, and second preference shall be given to families of deceased veterans and servicemen whose death has been determined by the Veterans' Administration to be service-connected."

(b) By adding the following new subsection to section 2:

"(14) The term 'veteran' shall mean a person who has served in the active military or naval service of the United States at any time on or after September 16, 1940, and prior to July 26, 1947, April 6, 1917, and prior to November 11, 1918, and who shall have been discharged or released therefrom under conditions other than dishonorable. The term 'serviceman' shall mean a person in the active military or naval service of the United States who has served therein on or after September 16, 1940, and prior to July 26, 1947, April 6, 1917, and prior to November 11, 1918."

TITLE VI—FARM HOUSING

FINANCIAL ASSISTANCE BY THE SECRETARY OF AGRICULTURE

SEC. 601. (a) The Secretary of Agriculture (hereinafter referred to as the "Secretary") is authorized, subject to the terms and conditions of this title, to extend financial assistance, through the Farmers Home Administration, to owners of farms in the United States and in the Territories of Alaska and Hawaii and in Puerto Rico and the Virgin Islands, to enable them to construct, improve, alter, repair, or replace dwellings and other farm buildings on their farms, to provide them, their tenants, lessees, sharecroppers, and laborers with decent, safe, and sanitary living conditions and adequate farm buildings as specified in this title.

(b) For the purpose of this title, the term "farm" shall mean a parcel or parcels of land operated as a single unit which is used for the production of one or more agricultural commodities and which customarily produces or is capable of producing such commodities for sale and for home use of a gross annual value of not less than the equivalent of a gross annual value of $400 in 1944, as determine by the Secretary. The

Secretary shall promply determine whether any parcel or parcels of land constitute a farm for the purposes of this title whenever requested to do so by any interested Federal, State, or local public agency, and his determination shall be conclusive.

(c) In order to be eligible for the assistance authorized by paragraph (a), the applicant must show (1) that he is the owner of a farm which is without a decent, safe, and sanitary dwelling for himself and his family and necessary resident farm labor, or for the family of the operating tenant, lessee, or sharecropper, or without other farm buildings adequate for the type of farming in which he engages or desires to engage; (2) that he is without sufficient resources to provide the necessary housing and buildings on his own account; and (3) that he is unable to secure the credit necessary for such housing and buildings from other sources upon terms and conditions which he could reasonably be expected to fulfill.

LOANS FOR HOUSING AND BUILDINGS ON ADEQUATE FARMS

SEC. 602. (a) If the Secretary determines that an applicant is eligible for assistance as provided in section 601 and that the applicant has the ability to repay in full the sum to be loaned, with interest, giving due consideration to the income and earning capacity of the applicant and his family from the farm and other sources, and the maintenance of a reasonable standard of living for the owner and the occupants of said farm, a loan may be made by the Secretary to said applicant for a period of not to exceed 33 years from the making of the loan with interest at a rate not to exceed 4 percent per annum on the unpaid balance of principal.

(b) The instruments under which the loan is made and the security given shall—

(1) provide for security upon the applicant's equity in the farm and such additional security or collateral, if any, as may be found necessary by the Secretary reasonably to assure repayment of the indebtedness;

(2) provide for the repayment of principal and interest in accordance with schedules and repayment plans prescribed by the Secretary;

(3) contain the agreement of the borrower that he will, at the request of the Secretary, proceed with diligence to refinance the balance of the indebtedness through cooperative or other responsible private credit sources whenever the Secretary determines, in the light of the borrower's circumstances, including his earning capacity and the income from the farm, that he is able to do so upon reasonable terms and conditions;

(4) be in such form and contain such covenants as the Secretary shall prescribe to secure the payment of the loan with interest, protect the security, and assure that the farm will be maintained in repair and that waste and exhaustion of the farm will be prevented.

LOANS FOR HOUSING AND BUILDINGS ON POTENTIALLY ADEQUATE FARMS

SEC. 603. If the Secretary determines (a) that, because of the inadequacy of the income of an eligible applicant from the farm to be improved and from other sources, said applicant may not reasonably be expected to make annual repayments of principal and interest in an amount sufficient to repay the loan in full within the period of time prescribed by the Secretary as authorized in this title; (b) that the income of the applicant may be sufficiently increased within a period of not to exceed 5 years by improvement or enlargement of the farm or an adjustment of the farm practices or methods; and (c) that the applicant has adopted and may reasonably be expected to put into effect a plan of farm improvement, enlargement, or adjusted practices or production which, in the opinion of the Secretary, will increase the applicant's income from said farm within a period of not to exceed 5 years to the extent that the applicant may be expected thereafter to make annual repayments of principal and interest sufficient to repay the balance of the indebtedness less payments in cash and credits for the contributions to be made by the Secretary as hereinafter provided, the Secretary may make a loan in an amount necessary to provide adequate farm dwellings and buildings on said farm under the terms and conditions prescribed in section 602. In addition, the Secretary may agree with the borrower to make annual contributions during the said 5-year period in the form of credits on the borrower's indebtedness in an amount not to exceed the annual installment of interest and 50 percent of the principal payments accruing during any installment year up to and including the fifth installment year, subject to the conditions that the borrower's income is, in fact, insufficient to enable the borrower to make payments in accordance with the plan or schedule prescribed by the Secretary and that the borrower pursues his plan of farm reorganization and improvements or enlargement with due diligence.

This agreement with respect to credits of principal and interest upon the borrower's indebtedness shall not be assignable nor accrue to the benefit of any third party without the written consent of the Secretary and the Secretary shall have the right, at his option, to cancel the agreement upon the sale of the farm or the execution or creation of any lien thereon subsequent to the lien given to the Secretary, or to refuse to release the lien given to the Secretary except upon payment in cash of the entire original principal plus accrued interest thereon less actual cash payments of principal and interest when the Secretary determines that the release of the lien would permit the benefits of this section to accrue to a person not eligible to receive such benefits.

OTHER SPECIAL LOANS AND GRANTS FOR MINOR IMPROVEMENTS TO FARM HOUSING AND BUILDINGS

SEC. 604. (a) In the event the Secretary determines that an eligible applicant cannot qualify for a loan under the provisions of sections 602 and 603 and that repairs or improvements should be made to a farm dwelling occupied by him, in order to make such dwelling safe and sanitary and remove hazards to the health of the occupant, his family, or the community, and that repairs should be made to farm buildings in order to remove hazards and make such buildings safe, the Secretary may make a grant or a combined loan and grant, to the applicant to cover the cost of improvements or additions, such as repairing roofs, providing toilet facilities, providing a convenient and sanitary water supply, supplying screens, repairing or providing structural supports, or making other similar repairs or impovements. No assistance shall be extended to any one individual under the provisions of this section in the form of a loan or grant or combination thereof in excess of $1,000 for any one farm or dwelling or building owned by such individual, and the grant portion with respect to any one farm or dwelling or building shall not exceed $500. Any portion of the sums advanced to the borrower treated as a loan shall be secured and be repayable in accordance with the principles and conditions set forth in this title. Sums made available by grant may be made subject to the conditions set out in this title for the protection of the Government with respect to contributions made on loans by the Secretary.

(b) The Secretary may make loans under this section and section 603 in accordance with provisions of the Bankhead-Jones Farm Tenant Act, as now or hereafter amended, to any applicant whose farm needs enlargement or development in order to provide income sufficient to support decent, safe, and sanitary housing and other farm buildings, and may use the funds made available for assistance under this section for such purposes.

MORATORIUM ON PAYMENTS UNDER LOANS

SEC. 605. During any time that any such loan is outstanding, the Secretary is authorized under regulations to be prescribed by him to grant a moratorium upon the payment of interest and principal on such loan for so long a period as he deems necessary, upon a showing by the borrower that due to circumstances beyond his control, he is unable to continue making payments of such principal and interest when due without unduly impairing his standard of living. In cases of extreme hardship under the foregoing circumstances, the Secretary is further authorized to cancel interest due and payable on such loans during the moratorium. Should any foreclosure of such a mortgage securing such a loan upon which a moratorium has been granted occur, no deficiency judgment shall be taken against the mortgagor if he shall have faithfully tried to meet his obligation.

TECHNICAL SERVICES AND RESEARCH

SEC. 606. (a) In connection with financial assistance authorized in sections 601 to 604, inclusive, the Secretary shall require that all new buildings and repairs financed under this title shall be substantially constructed and in accordance with such building plans and specifications as may be required by the Secretary. Buildings and repairs constructed with funds advanced pursuant to this title shall be supervised and inspected, as may be required by the Secretary, by competent employees of the Secretary. In addition to the financial assistance authorized in sections 601 to 604, inclusive, the Secretary is authorized to furnish, through such agencies as he may determine, to any person, including a person eligible for financial assistance under this title, without charge or at such charges as the Secretary may determine, technical services such as building plans, specifications, construction supervision and inspection, and advice and information regarding farm dwellings and other buildings. The Secretary is further authorized to conduct research and technical studies including the development, demonstration, and promotion of construction of adequate farm dwelling and other buildings for the purposes of stimulating construction, improving the architectural design and utility of such dwellings and buildings, utilizing new and native materials, economies in materials and construction methods, new methods of production, distribution, assembly, and construction, with a view to reducing the cost of farm dwellings and buildings and adapting and developing fixtures and appurtenances for more efficient and economical farm use.

(b) The Secretary of Agriculture shall prepare and submit to the President and to the Congress estimates of national farm housing needs and reports with respect to the progress being made toward meeing such needs, and correlate and recommend proposals for such executive action or legislation necessary or desirable for the furtherance of the national housing objective and policy established by this act with respect to farm housing, together with such other reports or information as may be required of the Secretary by the President or the Congress.

PREFERENCES FOR VETERANS AND FAMILIES OF DECEASED SERVICEMEN

SEC. 607. As between eligible applicants seeking assistance under this title, the Secretary shall give preference to veterans and the families of deceased servicemen. As used herein, a "veteran" shall be a person who served in the land or naval forces of the United States during any war between the United States and any other nation and who

shall have been discharged or released therefrom on conditions other than dishonorable. "Deceased servicemen" shall mean men or women who served in the land or naval forces of the United States during any war between the United States and any other nation and who died in service before the termination of such war.

LOCAL COMMITTEES TO ASSIST SECRETARY

SEC. 608. (a) For the purposes of this subsection and subsection (b) of this section, the Secretary may use the services of any existing committee of farmers operating (pursuant to laws or regulations carried out by the Department of Agriculture) in any county or parish in which activities are carried on under this title. In any county or parish in which activities are carried on under this title and in which no existing satisfactory committee is available, the Secretary is authorized to appoint a committee composed of three persons residing in the county or parish. Each member of such existing or newly appointed committee shall be allowed compensation at the rate of $5 per day while engaged in the performance of duties under this title and, in addition, shall be allowed such amounts as the Secretary may prescribe for necessary traveling and subsistence expenses. One member of the committee shall be designated by the Secretary as chairman. The Secretary shall prescribe rules governing the procedures of the committees, furnish forms and equipment necessary for the performance of their duties, and authorize and provide for the compensation of such clerical assistance as he deems may be required by any committee.

(b) The committees utilized or appointed pursuant to this section shall examine applications of persons desiring to obtain the benefits of this title and shall submit recommendations to the Secretary with respect to each applicant as to whether the applicant is eligible to receive the benefits of this title, whether by reason of his character, ability, and experience, he is likely successfully to carry out undertakings required of him under a loan or grant under this title, and whether the farm with respect to which the application is made is of such character that there is a reasonable likelihood that the making of the loan or grant requested will carry out the purposes of this title. The committees shall also certify to the Secretary their opinions of the reasonable values of the farms. The committees shall, in addition, perform such other duties under this title as the Secretary may require.

GENERAL POWERS OF SECRETARY

SEC. 609. (a) The Secretary, for the purposes of this title, shall have the power to determine and prescribe the standards of adequate farm housing and other buildings, by farms or localities, taking into consideration, among other factors, the type of housing which will provide decent, safe, and sanitary dwelling for the needs of the family using the housing, the type and character of the farming operations to be conducted, and the size and earning capacity of the land.

(b) The Secretary may require any recipient of a loan or grant to agree that the availability of improvements constructed or repaired with the proceeds of the loan or grant under this title shall not be a justification for directly or indirectly changing the terms or conditions of the lease or occupancy agreement with the occupants of such farms to the latter's disadvantage without the approval of the Secretary.

ADMINISTRATIVE PROVISIONS

SEC. 610. In carrying out the provisions of this title, the Secretary shall have the power to—

(a) make contracts for services and supplies without regard to the provisions of section 3709 of the Revised Statutes, as amended, when the aggregate amount involved is less than $300;

(b) enter into subordination, subrogation, or other agreements satisfactory to the Secretary;

(c) compromise claims and obligations arising out of sections 602 to 605, inclusive, of this title and adjust and modify the terms of mortgages, leases, contracts, and agreements entered into as circumstances may require, including the release from personal liability, without payments of further consideration, of—

(1) borrowers who have transferred their farms to other approved applicants for loans who have agreed to assume the outstanding indebtedness to the Secretary under this title; and

(2) borrowers who have transferred their farms to other approved applicants for loans who have agreed to assume that portion of the outstanding indebtedness to the Secretary under this title which is equal to the earning capacity value of the farm at the time of the transfer, and borrowers whose farms have been acquired by the Secretary, in cases where the Secretary determines that the original borrowers have cooperated in good faith with the Secretary, have farmed in a workmanlike manner, used due diligence to maintain the security against loss, and otherwise fulfilled the covenants incident to loans, to the best of their abilities;

(d) collect all claims and obligations arising out of or under any mortgage, lease, contract, or agreement entered into pursuant to this title and, if in his judgment necessary and advisable, to pursue the same to final collection in any court having jurisdiction: *Provided*, That the prosecution and defense of all litigation under this title shall be conducted under the supervision of the Attorney General and the legal representation shall be by the United States attorneys for the districts, respectively, in which such litigation may arise and by such other attorney or attorneys as may, under law, be designated by the Attorney General;

(e) bid for and purchase at any foreclosure or other sale or otherwise to acquire the property pledged or mortgaged to secure a loan or other indebtedness owing under this title, to accept title to any property so purchased or acquired, to operate or lease such property for such period as may be necessary or advisable, to protect the interest of the United States therein and to sell or otherwise dispose of the property so purchased or acquired by such terms and for such considerations as the Secretary shall determine to be reasonable and to make loans as provided herein to provide adequate farm dwellings and buildings for the purchasers of such property;

(f) utilize with respect to the indebtedness arising from loans and payments made under this title, all the powers and authorities given to him under the act approved December 20, 1944, entitled "An act to authorize the Secretary of Agriculture to compromise, adjust, or cancel certain indebtedness, and for other purposes" (58 Stat. 836), as such act now provides or may hereafter be amended;

(g) make such rules and regulations as he deems necessary to carry out the purposes of this title.

LOAN FUNDS

SEC. 611. The Secretary may issue notes and other obligations for purchase by the Secretary of the Treasury in such sums as the Congress may from time to time determine to make loans under this title not in excess of $25,000,000 on and after July 1, 1949, an additional $50,000,000 on and after July 1, 1950, an additional $75,000,000 on and after July 1, 1951, and an additional $100,000,000 on and after July 1, 1952. The notes and obligations issued by the Secretary shall be secured by the obligations of borrowers and the Secretary's commitments to make contributions under this title and shall be repaid from the payment of principal and interest on the obligations of the borrowers and from funds appropriated hereunder. The notes and other obligations issued by the Secretary shall be in such forms and denominations, shall have such maturities, and shall be subject to such terms and conditions as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes or obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding marketable obligations of the United States as of the last day of the month preceding the issuance of the notes or obligations by the Secretary. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations of the Secretary issued hereunder and for such purpose is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such act are extended to include any purchases of such obligations. The Secretary of the Treasury may at any time sell any of the notes or obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or obligations shall be treated as public debt transactions of the United States.

CONTRIBUTIONS

SEC. 612. In connection with loans made pursuant to section 603, the Secretary is authorized, on and after July 1, 1949, to make commitments for contributions aggregating not to exceed $500,000 per annum and to make additional commitments, on and after July 1 of each of the years 1950, 1951, and 1952, respectively, which shall require additional contributions aggregating not more than $1,000,000, $1,500,000, and $2,000,000 per annum, respectively.

SEC. 613. There is hereby authorized to be appropriated to the Secretary (a) such sums as may be necessary to meet payments on notes or other obligations issued by the Secretary under section 611 equal to (i) the aggregate of the contributions made by the Secretary in the form of credits on principal due on loans made pursuant to section 603, and (ii) the interest due on a similar sum represented by notes or other obligations issued by the Secretary; (b) an additional $1,000,000 pursuant to section 604 on and after July 1, 1949, which amount shall be increased by further amounts of $2,500,000, $4,000,000, and $5,000,000 on July 1, of each of the years 1950, 1951, and 1952, respectively; and (c) such further sums as may be necessary to enable the Secretary to carry out the provisions of this title.

TITLE VII—MISCELLANEOUS PROVISIONS

ADVISORY COMMITTEES

SEC. 701. The Housing and Home Finance Administrator may appoint such advisory committee or committees as he may deem necessary in carrying out his functions, powers, and duties, under this or any other act. Service as a member of any such committee shall not constitute any form of service or employment within the provisions of sections 281, 283, or 284 of title 18 United States Code.

AMENDMENTS OF NATIONAL BANKING ACT

SEC. 702. (a) The last sentence of paragraph Seventh of section 5136 of the Revised Statutes, as amended, is amended by inserting before the colon, after the words "obligations of national mortgage associations," a comma and the following: "or such obligations of any local public agency (as defined in section 110 (h) of the Housing Act of 1949) as are secured by an agreement between the local public agency and the Housing and Home

Finance Administrator in which the local public agency agrees to borrow from said Administrator, and said Administrator agrees to lend to said local public agency, prior to the maturity of such obligations (which obligations shall have a maturity of not more than 18 months), moneys in an amount which (together with any other moneys irrevocably committed to the payment of interest on such obligations) will suffice to pay the principal of such obligations with interest to maturity thereon, which moneys under the terms of said agreement are required to be used for the purpose of paying the principal of and the interest on such obligations of a public housing agency (as defined in the United States Housing Act of 1937, as amended) as are secured either (1) by an agreement between the public housing agency and the Public Housing Administration in which the public housing agency agrees to borrow from the Public Housing Administration, and the Public Housing Administration agrees to lend to the public housing agency, prior to the maturity of such obligations (which obligations shall have a maturity of not more than 18 months), moneys in an amount which (together with any other moneys irrevocably committed to the payment of interest on such obligations) will suffice to pay the principal of such obligations with interest to maturity thereon, which moneys under the terms of said agreement are required to be used for the purpose of paying the principal of and the interest on such obligations at their maturity, or (2) by a pledge of annual contributions under an annual contributions contract between such public housing agency and the Public Housing Administration if such contract shall contain the covenant by the Public Housing Administration which is authorized by subsection (b) of section 22 of the United States Housing Act of 1937, as amended, and if the maximum sum and the maximum period specified in such contract pursuant to said subsection 22 (b) shall not be less than the annual amount and the period for payment which are requisite to provide for the payment when due of all installments of principal and interest on such obligations."

(b) Section 5200 of the Revised Statutes, as amended, is amended by adding at the end thereof the following:

"(11) Obligations of a local public agency (as defined in section 110 (h) of the Housing Act of 1949) or of a public housing agency (as defined in the United States Housing Act of 1937, as amended) which have a maturity of not more than 18 months shall not be subject under this section to any limitation, if such obligations are secured by an agreement between the obligor agency and the Housing and Home Finance Administrator or the Public Housing Administration in which the agency agrees to borrow from the Administrator or Administration, and the Administrator or Administration agrees to lend to the agency, prior to the maturity of such obligations, monies in an amount which (together with any other monies irrevocably committed to the payment of interest on such obligations) will suffice to pay the principal of such obligations with interest to maturity, which monies under the terms of said agreement are required to be used for that purpose."

NATIONAL HOUSING COUNCIL

SEC. 703. The Secretary of Labor or his designee, and the Federal Security Administrator or his designee, shall hereafter be included in the membership of the National Housing Council in the Housing and Home Finance Agency.

AMENDMENTS OF THE GOVERNMENT CORPORATIONS APPROPRIATION ACT, 1948, AND THE GOVERNMENT CORPORATIONS APPROPRIATION ACT, 1949

SEC. 704. (a) The second proviso in the paragraph under the heading "Federal Public Housing Authority" in title I of the Government Corporations Appropriation Act, 1948, is hereby repealed as of July 1, 1947.

(b) The second proviso in the paragraph under the heading "Public Housing Administration" in title I of the Government Corporations Appropriation Act, 1949, is hereby repealed as of July 1, 1948.

(c) The first proviso in the paragraph under the subheading "Public Housing Administration" in title II of the Government Corporations Appropriation Act, 1949, is hereby repealed.

DEPUTY HOUSING AND HOME FINANCE ADMINISTRATOR

SEC. 705. The Housing and Home Finance Administrator shall appoint a Deputy Housing and Home Finance Administrator, and the basic rate of compensation of such position shall be the same as the basic rate of compensation established for the heads of the constituent agencies of the Housing and Home Finance Agency. The Deputy Administrator shall act as Administrator during the absence or disability of the Administrator or in the event of a vacancy in that office, and shall perform such other duties as the Administrator shall direct.

CONVERSION OF STATE LOW-RENT OR VETERANS' HOUSING PROJECTS

SEC. 706. Any low-rent or veterans' housing project undertaken or constructed under a program of a State or any political subdivision thereof shall be approved as a low-rent housing project under the terms of the United States Housing Act of 1937, as amended, if (a) a contract for State financial assistance for such project was entered into on or after January 1, 1948, and prior to January 1, 1950, (b) the project is or can become eligible for assistance by the Public Housing Administration in the form of loans and annual contributions under the provisions of the United States Housing Act of 1937, as amended, and (c) the public housing agency operating the project in the State makes application to the Public Housing Administration for Federal assistance for the project under the terms of the United States Housing Act of 1937, as amended: *Provided*, That loans made by the Public Housing Administration for the purpose of so converting the project to a project with Federal assistance shall be deemed, for the purposes of the provisions of section 9 and other sections of the United States Housing Act of 1937, to be loans to assist the development of the project. Section 503 of the Housing Act of 1948 is hereby repealed.

CENSUS OF HOUSING

SEC. 707. (a) The Director of the Census is authorized and directed to take a census of housing in each State, the District of Columbia, Hawaii, Puerto Rico, the Virgin Islands, and Alaska, in the year 1950 and decennially thereafter in conjunction with, at the same time, and as a part of the population inquiry of the decennial census in order to provide information concerning the number, characteristics (including utilities and equipment), and geographical distribution of dwelling units in the United States. The Director of the Census is authorized to collect such supplementary statistics (either in advance of or after the taking of such census) as are necessary to the completion thereof.

(b) All of the provisions, including penalties, of the act providing for the fifteenth and subsequent decennial censuses, approved June 18, 1929, as amended (U. S. C., title 13, ch. 4), shall apply to the taking of the census provided for in subsection (a) of this section.

NATIONAL CAPITAL HOUSING AUTHORITY

SEC. 708. Notwithstanding any other provisions of law, the National Capital Housing Authority is hereby authorized to acquire sites within the District of Columbia for low-rent public-housing projects assisted under the provisions of the United States Housing Act of 1937, as amended.

DISTRICT OF COLUMBIA PARTICIPATION

SEC. 709. To make available to the District of Columbia, and to authorize the appropriate agencies operating therein to accept, the benefits provided by titles I and II of this act, the District of Columbia Redevelopment Act of 1945 is hereby amended by renumbering sections 20, 21, and 22 thereof as sections 21, 22, and 23, respectively, and by adding after section 19 a new section to read as follows:

"SEC. 20. (a) As an alternative method of financing its authorized operations and functions under the provisions of this act (in addition to that provided in section 16 of this act), the Agency is hereby authorized and empowered to accept financial assistance from the Housing and Home Finance Administrator (hereafter in this section referred to as the Administrator), in the form of advances of funds, loans, and capital grants pursuant to title I of the Housing Act of 1949, to assist the Agency in acquiring real property for redevelopment of project areas and carrying out any functions authorized under this act for which advances of funds, loans, or capital grants may be made to a local public agency under title I of the Housing Act of 1949, and the Agency, subject to the approval of the District Commissioners and subject to such terms, covenants, and conditions as may be prescribed by the Administrator pursuant to title I of the Housing Act of 1949, may enter into such contracts and agreements as may be necessary, convenient, or desirable for such purposes.

"(b) Subject to the approval of the District Commissioners, the Agency is authorized to accept from the Administrator advances of funds for surveys and plans in preparation of a project or projects authorized by this act which may be assisted under title I of the Housing Act of 1949, and the Agency is authorized to transfer to the Planning Commission so much of the funds so advanced as the District Commissioners shall determine to be necessary for the Planning Commission to carry out its functions under this act with respect to the project or projects to be assisted under title I of the Housing Act of 1949.

"(c) The District Commissioners are authorized to include in their annual estimates of appropriations items for administrative expenses which, in addition to loan or other funds available therefor, are necessary for the Agency in carrying out its functions under this section.

"(d) Notwithstanding the limitation contained in the last sentence of section 110 (d) or in any other provision of title I of the Housing Act of 1949, the Administrator is authorized to allow and credit to the Agency such local grants-in-aid as are approvable pursuant to said section 110 (d) with respect to any project or projects undertaken by the Agency under a contract or contracts entered into under this section and assisted under title I of the Housing Act of 1949. In the event such local grants-in-aid as are so allowed by the Administrator are not sufficient to meet the requirements for local grants-in-aid pursuant to title I of the Housing Act of 1949, the District Commissioners are hereby authorized to enter into agreements with the Agency, upon which agreements the Administrator may rely, to make cash payments of such deficiences from funds of the District

of Columbia. The District Commissioners shall include items for such cash payments in their annual estimates of appropriations and there are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the amounts necessary to provide for such cash payments. Any amounts due the Administrator pursuant to any such agreements shall be paid promptly from funds appropriated for such purpose.

"(e) All receipts of the Agency in connection with any project or projects financed in accordance with this section with assistance under title I of the Housing Act of 1949, whether in the form of advances of funds, loans, or capital grants made by the Administrator to the Agency, or in the form of proceeds, rentals, or revenues derived by the Agency from any such project or projects, shall be deposited in the Treasury of the United States to the credit of a special fund or funds, and all moneys in such special fund or funds are hereby made available for carrying out the purposes of this act with respect to such project or projects, including the payment of any advances of funds or loans, together with interest thereon, made by the Administrator or by private sources to the Agency. Expenditures from such fund shall be audited, disbursed, and accounted for as are other funds of the District of Columbia.

"(f) With respect to any project or projects undertaken by the Agency which are financed in accordance with this section with assistance under title I of the Housing Act of 1949—

"(1) sections 3 (f), 3 (k), and 7 (g), and the last sentence of section 6 (b) (2) of this act shall not be applicable to those pieces of real property which, in accordance with the approved project area redevelopment plan, are to be devoted to public housing to be undertaken under Public Law 307, Seventy-third Congress, approved June 12, 1934, as amended;

"(2) the site and use plan for the redevelopment of the area, included in the redevelopment plan of the project area pursuant to section 6 (b) (2) of this act, shall include the approximate extent and location of any land within the area which is proposed to be used for public housing to be undertaken under Public Law 307, Seventy-third Congress, approved June 12, 1934, as amended;

"(3) notwithstanding any other provisions of this act, the agency, pursuant to section 7 (a) of this act, shall have power to transfer to and shall at a practicable time or times transfer by deeds to the National Capital Housing Authority those pieces of real property which, in accordance with the approved project area redevelopment plan, are to be devoted to public housing to be undertaken under Public Law 307, Seventy-third Congress, approved June 12, 1934, as amended, and, in accordance with the requirements of section 107 of the Housing Act of 1949, the National Capital Housing Authority shall pay for the same out of any of its funds available for such acquisition.

"(g) It is the purpose and intent of this section to authorize the District Commissioners and the appropriate agencies operating within the District of Columbia to do any and all things necessary to secure financial aid under title I, of the Housing Act of 1949. The District of Columbia Redevelopment Land Agency is hereby declared to be a local public agency for all of the purposes of title I of the Housing Act of 1949. As such a local public agency for all of the purposes of title I of the Housing Act of 1949, the agency is also authorized to borrow money from the administrator or from private sources as contemplated by title I of the Housing Act of 1949, to issue its obligations evidencing such loans, and to pledge as security for the payment of such loans, and the interest thereon, the property, income, revenues, and other assets acquired in connection with the project or projects financed in accordance with this section with assistance under title I of the Housing Act of 1949, but such obligations or such pledge shall not constitute a debt or obligation of either the United States or of the District of Columbia.

"(h) Nothing contained in this section or in any other section of this act shall relieve the Administrator of his responsibilities and duties under section 105 (c) or any other section of the Housing act of 1949. The Administrator shall not enter into any contract of financial assistance under title I of this act with respect to any project of the District of Columbia Redevelopment Land Agency for which a budget estimate of appropriation was transmitted pursuant to law and such appropriation denied after consideration thereof by the Senate or House of Representatives or by the Committee on Appropriations of either body."

ACT CONTROLLING

SEC. 710. Insofar as the provisions of any other law are inconsistent with the provisions of this act, the provisions of this act shall be controlling.

SEPARABILITY

SEC. 711. Except as may be otherwise expressly provided in this act, all powers and authorities conferred by this act shall be cumulative and additional to and not in derogation of any powers and authorities otherwise existing. Notwithstanding any other evidences of the intention of Congress, it is hereby declared to be the controlling intent of Congress that if any provisions of this act, or the application thereof to any persons or circumstances, shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this act or its applications to other persons and circumstances, but shall be confined in its operation to the provisions of this act or the application thereof to the persons and circumstances directly involved in the controversy in which such judgment shall have been rendered.

GENERAL PROVISIONS

SEC. 712. No part of any appropriation, loan, fund, or expenditure authorized by or provided pursuant to this act, shall be used directly or indirectly to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation or fund contained in this act shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than 1 year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

Mr. MAYBANK. Mr. President, I move that the Senate disagree to the amendment of the House, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MAYBANK, Mr. SPARKMAN, Mr. DOUGLAS, Mr. FLANDERS, and Mr. CAIN conferees on the part of the Senate.

FURTHER CONTRIBUTIONS TO THE INTERNATIONAL CHILDREN'S EMERGENCY FUND

Mr. PEPPER. Mr. President, I wish to submit a unanimous-consent request with respect to consideration of a measure which has been reported from the Senate Committee on Foreign Relations, but before submitting the request I should like to state what the bill is. The bill is H. R. 2785, Calendar No. 593, to provide for further contributions to the International Children's Emergency Fund. It was reported unanimously by the Committee on Foreign Relations. The distinguished chairman of the committee is now on the floor. All the bill does is to extend authority for our participation in the International Children's Emergency Fund for one additional year, with the express proviso that our participation in the fund shall end at the expiration of the next fiscal year; and, in addition to that, carrying over for the next year $17,000,000 of previously appropriated funds for matching by other countries should they comply with the conditions which are required.

The bill is short. It was unanimously reported by the committee. The Senator from Iowa [Mr. HICKENLOOPER] is also very much interested in it. The law expires today. There is only a minor adjustment necessary to be made between the Senate and the House. I felt that the bill should be disposed of today, and I am sure it will not be controversial.

Mr. President, in order to get the matter before the Senate, I submit a unanimous-consent request for the present consideration of House bill 2785.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 2785) to provide for further contributions to the International Children's Emergency Fund.

Mr. WHERRY. Mr. President, reserving the right to object, did I correctly understand the distinguished Senator to say that the bill had been reported by the Senate Foreign Relations Committee?

Mr. PEPPER. It was reported unanimously by the Senate Foreign Relations Committee with a slight amendment.

Mr. WHERRY. That is what I was going to ask about. There is an amendment to the bill?

Mr. PEPPER. An amendment was made to the bill by the Committee on Foreign Relations of the Senate.

Mr. WHERRY. What is the amendment?

Mr. PEPPER. The amendment is the addition of a new section, as follows:

SEC. 2. Funds appropriated by the second paragraph of title I of the Foreign Aid Appropriation Act, 1949, shall remain available through June 30, 1950.

All that does is to allow the countries involved one more year in which to match appropriations already made.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. GEORGE. May I be permitted to state for the information of the Senate that the amount actually unexpended, the unexpended balance, is in the neighborhood of $12,000,000?

Mr. WHERRY. The bill provides for no increased appropriation?

Mr. GEORGE. Yes; there is an additional appropriation of $25,000,000 authorized. Of course, that appropriation might be made. That would make a total, in event of the additional appropriation, of $37,000,000.

Mr. WHERRY. So that what is being done here is not only appropriating the unexpended balance, but adding to it an authorization of $25,000,000?

Mr. GEORGE. No; extending the authorization. The original authorization was for $100,000,000, but only $75,000,000 was actually expended.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. HICKENLOOPER. I merely want to corroborate what the Senator from Florida has said. It is my understanding that the bill merely extends the time one more year during which the unexpended balance of the present appropriation, which is between $12,000,000 and $16,000,000, depending on how it is calculated, may be matched by other countries in accordance with the formula in the bill, and that that unexpended balance may continue during the next year to be used as it was originally intended to be used.

Mr. GEORGE. To be continued through June 30, 1950.

Mr. HICKENLOOPER. Yes. I believe the cause to be a very worthy one.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 2785) to provide for further contributions to the International Children's Emergency Fund, which had been reported from the Committee on Foreign Relations, with an amendment.

The PRESIDING OFFICER. The clerk will state the committee amendment.

The LEGISLATIVE CLERK. On page 2, after line 3, it is proposed to insert the following new section:

SEC. 2. Funds appropriated by the second paragraph of title I of the Foreign Aid Appropriation Act, 1949, shall remain available through June 30, 1950.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 2785) was read the third time and passed.

AUTHORITY TO SIGN BILLS

Mr. MYERS. Mr. President, I ask unanimous consent that the President of the Senate be authorized to sign duly enrolled bills following the recess of the Senate today.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MYERS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. MCGRATH in the chair) laid before the Senate a message from the President of the United States submitting the nomination of Jefferson Caffery, of Louisiana, a foreign service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to Egypt, which was referred to the Committee on Foreign Relations.

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. GEORGE, from the Committee on Finance:

Harlan T. Chapman, of Elyria, Ohio, to be Assistant Register of the Treasury; and

Harry M. Durning, of New York, N. Y., to be collector of customs for customs collection district No. 10, with headquarters at New York, N. Y.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will call the Executive Calendar.

THE NORTH ATLANTIC TREATY

The Senate, as in Committee of the Whole, proceeded to consider the treaty, Executive L (81st Cong., 1st sess.), signed at Washington on April 4, 1949, which was read the second time, as follows:

TEXT OF NORTH ATLANTIC TREATY

The Parties to this Treaty reaffirmed their faith in the purposes and principles of the Charter of the United Nations and their desire to live in peace with all peoples and all governments.

They are determined to safeguard the freedom, common heritage and civilization of their peoples, founded on the principles of democracy, individual liberty and the rule of law.

They seek to promote stability and well-being in the North Atlantic area.

They are resolved to unite their efforts for collective defense and for the preservation of peace and security.

They therefore agree to this North Atlantic Treaty:

ARTICLE 1

The Parties undertake, as set forth in the Charter of the United Nations, to settle any international disputes in which they may be involved by peaceful means in such a manner that international peace and security, and justice, are not endangered, and to refrain in their international relations from the threat or use of force in any manner inconsistent with the purposes of the United Nations.

ARTICLE 2

The Parties will contribute toward the further development of peaceful and friendly international relations by strengthening their free institutions, by bringing about a better understanding of the principles upon which these institutions are founded, and by promoting conditions of stability and well-being. They will seek to eliminate conflict in their international economic policies and will encourage economic collaboration between any or all of them.

ARTICLE 3

In order more effectively to achieve the objective of this Treaty, the Parties separately and jointly, by means of continuous and effective self-help and mutual aid, will maintain and develop their individual and collective capacity to resist armed attack.

ARTICLE 4

The Parties will consult together whenever, in the opinion of any of them, the territorial integrity, political independence or security of any of the Parties is threatened.

ARTICLE 5

The Parties agree that an armed attack against one or more of them in Europe or North America shall be considered an attack against them all; and consequently they agree that, if such an armed attack occurs, each of them, in exercise of the right of individual or collective self-defense recognized by Article 51 of the Charter of the United Nations, will assist the Party or Parties so attacked by taking forthwith, individually and in concert with the other Parties, such action as it deems necessary, including the use of armed force, to restore and maintain the security of the North Atlantic area.

Any such armed attack and all measures taken as a result thereof shall immediately be reported to the Security Council. Such measures shall be terminated when the Security Council has taken the measures necessary to restore and maintain international peace and security.

ARTICLE 6

For the purpose of Article 5 an armed attack on one or more of the Parties is deemed to include an armed attack on the territory of any of the Parties in Europe or North American, on the Algerian departments of France, on the occupation forces of any Party in Europe, on the islands under the jurisdiction of any Party in the North Atlantic area north of the Tropic of Cancer or on the vessels or aircraft in this area of any of the Parties.

ARTICLE 7

This Treaty does not affect, and shall not be interpreted as affecting, in any way the rights and obligations under the Charter of the Parties which are members of the United Nations, or the primary responsibility of the Security Council for the maintenance of international peace and security.

ARTICLE 8

Each Party declares that none of the international engagements now in force between it and any other of the Parties or any third state is in conflict with the provisions of this Treaty, and undertakes not to enter into any international engagement in conflict with this Treaty.

ARTICLE 9

The Parties hereby establish a council, on which each of them shall be represented, to consider matters concerning the implementation of this Treaty. The council shall be so organized as to be able to meet promptly at any time. The council shall set up such subsidiary bodies as may be necessary; in

particular it shall establish immediately a defense committee which shall recommend measures for the implementation of Articles 3 and 5.

ARTICLE 10

The Parties may, by unanimous agreement, invite any other European state in a position to further the principles of this Treaty and to contribute to the security of the North Atlantic area to accede to this Treaty. Any state so invited may become a party to the Treaty by depositing its instrument of accession with the Government of the United States of America. The Government of the United States of America will inform each of the Parties of the deposit of each such instrument of accession.

ARTICLE 11

This Treaty shall be ratified and its provisions carried out by the Parties in accordance with their respective constitutional processes. The instruments of ratification shall be deposited as soon as possible with the Government of the United States of America, which will notify all the other signatories of each deposit. The Treaty shall enter into force between the states which have ratified it as soon as the ratifications of the majority of the signatories, including the ratifications of Belgium, Canada, France, Luxembourg, the Netherlands, the United Kingdom and the United States, have been deposited and shall come into effect with respect to other states on the date of the deposit of their ratifications.

ARTICLE 12

After the Treaty has been in force for ten years, or at any time thereafter, the Parties shall, if any of them so requests, consult together for the purpose of reviewing the Treaty having regard for the factors, then affecting peace and security in the North Atlantic area, including the development of universal as well as regional arrangements under the Charter of the United Nations for the maintenance of international peace and security.

ARTICLE 13

After the Treaty has been in force for twenty years, any Party may cease to be a party one year after its notice of denunciation has been given to the Government of the United States of America, which will inform the Governments of the other Parties of the deposit of each notice of denunciation.

ARTICLE 14

This Treaty, of which the English and French texts are equally authentic, shall be deposited in the archives of the Government of the United States of America. Duly certified copies thereof will be transmitted by that Government to the Governments of the other signatories.

In witness whereof, the undersigned plenipotentiaries have signed this Treaty.

Done at Washington, the fourth day of April, 1949.

For the Kingdom of Belgium:
P. H. SPAAK
SILVERCRUYS
For Canada:
LESTER B. PEARSON
H. H. WRONG
For the Kingdom of Denmark:
GUSTAV RASMUSSEN
HENRIK KAUFFMANN
For France:
SCHUMAN
H. BONNET
For Iceland:
BJARNI BENEDIKTSSON
THOR THORS
For Italy:
SFORZA
ALBERTO TARCHIANI
For the Grand Duchy of Luxembourg:
JOS BECH
HUGUES LE GALLAIS
For the Kingdom of the Netherlands:
STIKKER
E. N. VAN KLEFFENS
For the Kingdom of Norway:
HALVARD M. LANGE
WILHELM MUNTHE MORGENSTIERNE
For Portugal:
JOSÉ CAEIRO DA MATTA
PEDRO THEOTONIO PEREIRA
For the United Kingdom of Great Britain and Northern Ireland:
ERNEST BEVIN
OLIVER FRANKS
For the United States of America:
DEAN ACHESON

I certify that the foregoing is a true copy of the North Atlantic Treaty signed at Washington on April 4, 1949, in the English and French languages, the signed original of which is deposited in the archives of the Government of the United States of America.

In testimony whereof, I, Dean Acheson, Secretary of State of the United States of America, have hereunto caused the seal of the Department of State to be affixed and my name subscribed by the Authentication Officer of the said Department, at the city of Washington in the District of Columbia, this fourth day of April, 1949.

DEAN ACHESON,
Secretary of State.
[SEAL] By M. P. CHAUVIN,
Authentication Officer.
Department of State.

The PRESIDING OFFICER. The treaty is open to amendment.

Mr. WHERRY. Mr. President, as I understand, the intention is to make the North Atlantic Treaty the unfinished business, and it is not contemplated that it will be discussed this evening.

Mr. MYERS. That is true.

Mr. DONNELL. Mr. President, is it contemplated that it will be discussed tomorrow?

Mr. MYERS. No. There will be no discussion until Tuesday.

Mr. WHERRY. Mr. President, in view of the fact that the Senator from Missouri raised that question, may I inquire of the present occupant of the chair whether or not the resolution which was adopted yesterday or the day before relative to the recess and reconvening on next Tuesday provides that when the Senate convenes tomorrow, which is Friday, it shall convene only for the purpose of meeting and recessing until the following Tuesday, and that no business is to be transacted tomorrow when the Senate reconvenes, except to recess until Tuesday?

The PRESIDING OFFICER. The Chair is advised that that is not included in the order. It is a question whether the Senate wishes to meet tomorrow to consider business.

Mr. MYERS. Mr. President, the Senate will meet tomorrow. No business will be transacted, unless Senators desire to make insertions in the RECORD, and there is no objection to the requests.

Mr. WHERRY. May we have the full assurance of the acting majority leader that there is an agreement that tomorrow when the Senate convenes no business is to be transacted? I do not object to speeches or insertions in the RECORD, but I think Senators should understand now that tomorrow there will be no votes and that no business will be transacted other than to meet and recess until the following Tuesday.

Mr. MYERS. I will say to the Senator from Nebraska that that is the understanding. No business will be transacted, and no votes will be taken.

The PRESIDING OFFICER. Is it the desire of the acting majority leader that the nominations on the Executive Calendar be considered at this time?

Mr. MYERS. Mr. President, I ask that the nominations on the Executive Calendar be passed over.

The PRESIDING OFFICER. Without objection, the nominations on the Executive Calendar will be passed over.

RECESS

Mr. MYERS. I move that the Senate take a recess, in executive session, until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 24 minutes p. m.) the Senate took a recess until tomorrow, Friday, July 1, 1949, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate June 30 (legislative day of June 2), 1949:

DIPLOMATIC AND FOREIGN SERVICE

Jefferson Caffery, of Louisiana, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Egypt.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 30, 1949

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our most gracious Father, we praise Thee for all the sacred influences of life, for home with its benedictions, for the counsel and fellowship of those who are wise and faithful. We would not walk alone, but would find strength in others, in those unforgotten spirits which weave a charm about our souls.

In the constant rush of life, keep us ever seeking the guidance of prayer and meditation, thus avoiding a life empty of spiritual power.

We beseech Thee that with firm steps and certain hearts we may move resolutely forward, eager to write a new chapter in the scroll of human freedom. Heavenly Father, bend low, open Thy listening ear. We beseech Thee to abide with our honored Speaker, the leaders, the Members of Congress, and all others who associate with them. Keep them day by day under the wings of Thy love and mercy in good health and good cheer. In the name of Him who gave Himself as a ransom for the world. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the